

No. 1144

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UNITED STATES CIRCUIT COURT OF APPEALS

FOR THE NINTH CIRCUIT.

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TRANSCRIPT OF RECORD.

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GEORGE W. RUMBLE,  
*Plaintiff in Error,*

vs.

THE UNITED STATES OF  
AMERICA,  
*Defendant in Error.*

FILED

FEB 20 1905

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**VOL. II.**

(Pages 353 to 760, Inclusive.)

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Upon Writ of Error to the United States District  
Court for the Northern District  
of California.

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(Testimony of Phares S. Moore.)

Mr. HART.—Q. Your name was written on here the same as on the other last Friday?      A. Yes, sir.

Q. I notice this is addressed to "M. H. Moore." That was your father?

A. Yes, sir; that was my father.

Q. Did you receive it yourself?

A. No, sir; he did.

Q. How do you know he did?

A. Because it was in the envelope that it came in when I saw it.

Q. Had it been opened?

A. Yes, sir; he had read it.

Q. How long after it came was it that you saw it?

A. I saw it the same day that it came.

Q. How do you know it was the same day—because your father told you so?

A. No, sir; it was on the envelope when it was received.

Q. All you know about it is, when you went to your father's house, you saw this letter there?

A. Yes, sir; in the envelope it was received.

Q. Did you open the letter and read it?

A. No, sir; he had opened it and read it before I came there.

Q. Did you open it and read it?

A. I took it out and read it.

Q. And read it?      A. Yes, sir.

Q. Do you identify this as the same letter that you saw in the envelope?

(Testimony of Phares S. Moore.)

A. Yes, sir; exactly the same.

Mr. HART.—I object to it on the grounds: First, that it is immaterial, irrelevant and incompetent; second, because it is not charged in the indictment that that was one of the letters mailed in pursuance of the scheme, and there is no allegation in reference to the letter at all, and further, we do not think it has been sufficiently shown that it went through the mail.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(Letter read in evidence as follows:)

### United States Exhibit No. 33.

San Francisco, Cal., U. S. A.

July 1, 1902.

Mr. M. H. Moore, Lancaster, Pa.

Sir: We recently gave your name to some English parties as one of the Sunset stockholders who is receiving regular monthly dividends. Should you receive an inquiry from them, asking for confirmation of this statement, we trust you will answer them, simply confirming the facts stated. You might state to them, if they ask you if you know anything about the mines or the Company, that you had confidence enough in us to invest your money, and now that you have done so, you have found every promise we have made fulfilled, and that you receive your dividends promptly each month.

(Testimony of Phares S. Moore.)

The reason we gave your name as a stockholder was that some English parties wished to become interested, that is, providing they found matters as we have stated. We are quite desirous of equipping other large, tested gold properties in the vicinity of "Old Glory" which we believe will be very valuable when equipped and will enable us to increase the rate of our dividends. Our prediction is that we will be able to pay 5% per month and that our stock will be worth \$10 or more per share when we get all our properties equipped and running. Hence, the sooner we can do it the better it will be for all in interest.

There is a mine near us whose stock two years ago was selling at \$1 per share, which recently sold for \$35 per share. This has been brought about wholly by their being able to largely equip the property and put it on a high paying basis. The value of the property is now rated at \$45,000. We believe we have better properties than they have. All we want is to get them equipped. Until this is done we shall continue the payment of monthly dividends of 2% per month as in the past.

Respectfully,

G. W. RUMBLE,

Secretary.

(The letter is marked "United States Exhibit No. 33.")

Mr. McKINLEY.—I will call your attention to another letter dated San Francisco, California, U. S. A., Dec. 3d, 1902, addressed to yourself, and signed "Respectfully,

(Testimony of Phares S. Moore.)

G. W. Rumble, Secretary," and ask you whether or not you received that in the due course of the United States mail from the defendant, George W. Rumble? (Handling.)

A. Yes sir; I did.

Mr. McKINLEY.—I offer this letter in evidence.

Mr. HART.—We object to this letter on the grounds: First, that it is immaterial, irrelevant and incompetent; second, because it is not charged in the indictment that that was one of the letters mailed in pursuance to the scheme, and there is no allegation in reference to the letter at all.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

The COURT.—How many more of these letters are there?

Mr. McKINLEY.—I do not know. I think this will be the last from this witness, however.

(Letter read in evidence as follows:)

“San Francisco, California, U. S. A.,

“Dec. 3d, 1902.

“P. S. Moore, Lancaster, Pa.,

“Sir: I get hot under the collar occasionally when I hear of a good man being induced to invest in the Smelting business, away up yonder somewhere in the mountains, and find that they are otherwise good, level-headed business men who are being led around with a ring in



(Testimony of Phares S. Moore.)

their nose in a manner something like an animal is sometimes.

“In regard to smelters away up yonder somewhere in the mountains, located here and there and Lord knows where, they haven’t been tried for the last thirty or forty years, would say that they are made to look enticing, because they are presented to the investor anonymously, as a gristmill in the country which simply takes the farmer’s grain and grinds it for a profit. This logic looks good on its face, but as a matter of fact is not worth a last year’s bird-nest for the following reasons:

“First, would state that in California, Nevada, Arizona, Washington, Montana, Idaho, both the Dakotas, and Oregon, there is practically but one railroad and this railroad wants all the business it can get. A material portion of the freight of the railroad is hauling ore to smelters which are usually located at tidewater, hence when a little new smelter starts somewhere in the mountains, and undertakes to treat the ores there, the Railroad Company loses the ore to haul, consequently the flux and fuel which is needed to run the smelter in the interior having to be taken to it over the Railroad, it has been found that after a month or two of work, sometimes not over two or three weeks, there always occurs what is reported to be an unavoidable delay or break down of the cars to get the flux or fuel to the little mountain smelter. The R. R. men directors have an interest in the large smelters at tide water or at

(Testimony of Phares S. Moore.)

Denver and Pueblo, and they now have a Smelter Trust and will bust any small mountain smelter.

“Fair propositions are made that the matter will be hurried up, and perhaps a man is sent out on the road to find out what is the matter, but it continues and continues just the same until the mountain smelter is compelled to close, and where is the money of the investor, it has been lost.

“This fact is well known to all mining engineers in all mining districts, and it is only some enthusiastic promotor in the East, who occasionally springs the scheme on other enthusiastic investors with glowing colors to get them to put in their money, but they get the experience, usually too late, and the money is lost. The smelter becomes lost, and lies in the mountains unused. I think I can point you to a dozen of such scattered around California and Arizona.

“The only solution of the problem of handling refractory quartz ore is by a different method, which gets all of the free gold out at the mines, and if the ore cannot be treated by cyanide, it is concentrated and shipped on the cars to the smelter at tidewater. When handled in this way it beats the Railroad Company, and makes mining a success, when it is properly managed.

“Having had experience along these lines and other lines, incidental to mining is one of the reasons why I prefer gravel to quartz mining, because in gravel mining we get out our pure gold and do not need smelters,

(Testimony of Phares S. Moore.)

stamp-mill, concentrator, cyanide plants, and several other devices such as are necessary in quartz mining.

“‘Old Glory’ is a gravel mine. Gold dredging is gravel mining. Hydraulic mining is gravel mining. I have written and mentioned the above as it may be of interest to you in some of your mining investments, and present it to you for your careful and thoughtful consideration.

“Regarding our Company and affairs, would say that we have now sold about 100,000 shares of stock, which ranks for dividends, and that is all we are paying dividends on. There is in addition to this another 150,000 outstanding, which does not rank for dividends, and which will not receive dividends until the profits of our mines and business are such that we can pay dividends on all of the stock sold for cash, as well as this 150,000, at not less than 50% per annum, and as I own 100,000 shares of that stock, which does not receive dividends, you can understand why I am anxious to push the affairs of this company ahead to a point where I can get my 50% in dividends, and I am sure we can bring it to that point as soon as I can sell sufficient stock, and the profits of our mines and business, after paying dividends, is sufficient to enable us to equip other properties, and get them in good working order.

“There are good gold mining properties in the vicinity of Oroville, on which it would pay to expend one million dollars.

(Testimony of Phares S. Moore.)

“We now have a force of men at work on our gold dredging property, making additional test shafts to bed rock 35 to 60 feet deep, and otherwise preparing for the building of a gold dredge, but for which we have not yet got sufficient money. Such a dredge as we desire to build would cost about \$100,000. There are now fourteen of these gold dredgers working within a radius of eight miles of Oroville. They are all running by electricity, which is sold to them by an electric power company, it being generated about 50 miles away in the mountains by water power.

“Incidental to electric transmission in California, would say that his company sends its energy 180 miles from the mountains into the city of San Francisco and Oakland, where it is used to run street-cars, and sold to everybody who wants power for any purpose, such as printing presses, machinery-shops, and in addition it is transformed to the low voltage of 110, so that it is used for lighting our buildings.

“California is to-day ahead of any country in the world in the long and successful transmission of electric energy.

“I am somewhat an enthusiast on this subject, and pay a good deal of attention to it, as I believe in it to the fullest extent, also believe that I will in a very short time ride from San Francisco to Chicago on an electric train in about twenty-four hours. Also believe that I will get my supper in Chicago, jump into a train, and get my breakfast in New York, or Philadelphia. I am

(Testimony of Phares S. Moore.)

as confident of this as I am of anything I haven't actually got in my possession.

"Referring to 'Old Glory,' would say that we consider that mine good for thirty years. It was good to us last Sunday in giving us an unusual number of nuggets and the usual amount of coarse gold. We got one piece valued at \$40, and a double handful valued at from \$10 to \$20.

"Finally we repeat 'COME AND SEE.'

"Respectfully,

"G. W. RUMBLE,

"Secretary."

Q. Mr. Moore, you have detailed the correspondence that has taken place between yourself and the defendant, and your father and the defendant. I believe you have also told us the amount of your investment. Now, did your father invest money in the stock of the Sunset Mining Company?      A. Yes, sir.

Q. How much and to what extent did he invest?

A. Forty thousand shares.

Q. What was the total cost of those 40,000 shares?

Mr. HART.—I object unless it is shown that the witness knows.

Mr. McKINLEY.—He has already testified that he attended to his father's business.

The COURT.—Q. Where did you get the stock? Did you get it from the defendant or this company, or where did he get it?

(Testimony of Phares S. Moore.)

A. From this company's representative, Mr. Hayden Whitney, in Philadelphia.

The COURT.—He may answer the question.

Mr. McKINLEY.—Q. How much was paid for that stock of your father's?

A. Fifty-eight thousand three hundred dollars.

Q. How much was the total amount of the dividend that he got out of his \$58,300?

A. About \$9,500.

Cross-examination.

Mr. HART.—Q. Mr. Moore, you have testified that you purchased 2,500 shares at \$1.25 per share. How did you pay for that stock, if you ever paid for it?

A. I paid Mr. Whitney for it.

Q. How? A. In cash.

Q. Is it not a fact that you never paid him anything for it? A. No, sir. I paid him for it.

Q. Is it not a fact that you had this stock and received it from Hayden Whitney, and drew dividends on that for about a year, and then Mr. Whitney insisted on your returning the stock because you had not paid for it, and he sold the stock and paid for the stock out of the sale of the stock?

A. No, sir, that is not a fact.

Q. How did you pay it to him?

A. I paid it to him by check.

Q. Have you got the check? A. No, sir.

Q. On what bank did you draw it?

(Testimony of Phares S. Moore.)

A. Lancaster Bank—the First National.

Q. The full sum of \$2,500?

A. No, sir, I paid it in installments.

Q. How did you pay it?

A. Five hundred dollars at a time.

Q. When did you make the first payment?

A. I don't recollect.

Q. When did you make the second payment?

A. I don't recollect.

Q. When did you make the third, fourth and fifth payments?      A. I don't recollect.

Q. When did you make the last payment?

A. I don't recollect.

Q. Is it not a fact that you do not own the stock now?

A. No, sir, I exchanged the stock for another stock.

Q. In the same company?      A. No, sir.

Q. Then you sold the stock, did you?

A. Exchanged it.

Q. When?      A. Last July.

Q. Then, as a matter of fact, up to the time that you exchanged it you drew the dividends, did you not?

A. I did.

Q. And since you exchanged it in July, 1903, you have not owned the stock?      A. No, sir.

Q. And do not own it now?      A. No, sir.

Q. You have had some controversy with Mr. Rumble in reference to this business affair of this stock?

A. Not any at all.

(Testimony of Phares S. Moore.)

Q. With Mr. Whitney?           A. No, sir.

Q. Are you sure?           A. I am sure.

Q. Who is Mr. Whitney?

A. He is agent for the Sunset Company.

Q. What other business is he in?

A. A broker.

Q. Broker and banker?           A. Yes, sir.

Q. Where does he live?           A. Philadelphia.

Q. You say that your father bought 40,000 shares of stock. From whom did he buy it?           A. Whitney.

Q. Hayden Whitney?           A. Yes, sir.

Q. Were Mr. Whitney and your father old acquaintances?

A. No, sir. They first got acquainted in October, 1901.

Q. Do you know when your father first bought stock in this company?           A. I do.

Q. When was that?           A. October 8, 1901.

Q. How much was purchased at that time?

A. Three hundred shares.

Q. Had dividends been paid on that from that time up to and including September, 1903?           A. Yes, sir.

Q. From whom was that bought—Hayden Whitney?

A. Yes, sir.

Q. What was paid for it?

A. One dollar and twenty-five cents per share.

Q. When was the next lot purchased?

A. October 10th.

Q. 1901?           A. Yes, sir.



(Testimony of Phares S. Moore.)

Q. At what figure?

A. One dollar and twenty-five cents.

Q. How many shares?           A. One thousand.

Q. Were they bought from Mr. Whitney?

A. Yes, sir.

Q. When was the next lot?           A. October 24th.

Q. The same year?           A. The same year.

Q. How much?

A. One thousand two hundred shares.

Q. Who from?           A. Hayden Whitney.

Q. At what price?

A. One dollar and twenty-five cents.

Q. The next lot?           A. October 30th.

Q. The same year?           A. The same year.

Q. Was it all paid for at the rate of \$1.25?

A. The first four lots were paid for at the rate of \$1.25.

Q. And the others?

A. One dollar and fifty cents and one dollar and sixty cents.

Q. When was the last stock bought?

A. February 13, 1902.

Q. 1902?           A. Yes—no, 1903.

Q. And your father received the dividends regularly on that stock from the time he purchased each lot up to and including September, 1903?           A. Yes, sir.

Q. He still owns the stock?           A. Yes, sir.

Q. At what price were you allowed for this 2,500 shares of stock when you exchanged it?

(Testimony of Phares S. Moore.)

A. I exchanged it even up—share for share.

Q. And what other stock did you obtain?

A. McKinley Mining and Smelting Company stock.

Q. Who did you get that from?

A. George M. Herd.

Q. Nothing to do with the defendant or Mr. Whitney?

A. No, sir.

#### Redirect Examination.

Q. Mr. Moore, counsel has asked you with regard to the exchanging of your own stock. Was one dollar of your father's stock exchanged?

A. No, it was not.

Q. He never got the value of his stock at all?

A. No, sir.

Q. Did you upon your father's behalf ever make a demand on this defendant for the return of the price of that stock?

A. Yes, sir, I did.

Q. Was the price made good or returned?

A. No, sir.

Q. It was not?

A. No, sir.

Q. State whether or not the communications and correspondence which you and your father received through the United States postoffice establishment induced you and your father to invest your money in the Sunset Mining Company's stock. State whether or not that is the fact.

A. Yes, sir, that is the fact.

Mr. HART.—I move to strike out the answer. The witness did not give me an opportunity to object.

The COURT.—Strike it out.

(Testimony of Phares S. Moore.)

Mr. HART.—I object to the question as immaterial, irrelevant and incompetent, and on the further ground that this witness cannot testify as to what induced his father. He cannot know what his father's mind was on that subject.

The COURT.—Let the answer remain. I do not think it is material one way or the other.

Mr. HART.—We will take an exception.

Recross-examination.

Mr. HART.—Q. You say that you made a demand on the defendant for the return of that money?

A. I certainly did.

Q. When?

A. Before the dividends stopped, last September or August.

Q. Where did you make that demand?

A. From Lancaster, by mail.

Q. Did you go to his office in this city?

A. From Lancaster, by mail.

Q. I say, did you go to his office in this city?

A. No, sir.

Q. At any time?           A. No, sir.

Q. Didn't you go into Mr. Rumble's office last Saturday, and say to him that your name was Young?

A. I did.

Q. Now, you say that the demand that was made on Mr. Rumble was made last September?

(Testimony of Phares S. Moore.)

A. Or August—it was before the dividends stopped.

Q. How did you come to make a demand for your stock when you had already transferred it?

A. I did not make any demand for my own.

W. W. GRISSON, called for the United States, sworn and testified as follows:

Mr. McKINLEY.—Q. Where do you reside?

A. San Francisco.

Q. What is your business?

A. I am Register of Deposits at the United States Mint.

Q. How long have you been such Register of Deposits at the United States Mint?

A. Since January 1, 1901.

Q. As such Register of Deposits at the United States Mint, have you registered and received deposits at the United States Mint from the defendant George W. Rumble? A. Yes, sir.

Q. I show you these slips, and ask you to state whether or not those represent the transactions had with George W. Rumble at the United States Mint in this city at the dates of those slips (handing)?

A. They do.

Q. Will you explain to the Court and to the jury just what those slips signify and exactly what the transactions were as shortly and briefly as you can.

Mr. HART.—I object to the question. The slips show for themselves whatever they are.

(Testimony of W. W. Grisson.)

The COURT.—Answer the question.

A. The slips here were not made out by me. These were made by the abstract clerk.

Mr. McKINLEY.—Q. You know what they are?

A. Yes, sir.

Q. You can testify as to what they are?

A. Here is the date of the deposits.

Q. The deposits of what?

A. The gold bullion.

Q. What is the actual amount as shown by this statement of the deposits of gold bullion at the United States Mint at San Francisco by the defendant George W. Rumble?

Mr. HART.—I object to the question on the ground that it is immaterial, irrelevant and incompetent, hearsay, and it is not shown by the witness whether he knows if they are correct or not.

The COURT.—Let me see. (After examination.) I will sustain the objection on the ground that any person by looking at it can tell as well as the witness can.

(To the Witness.) It is \$21,882.95.

The WITNESS.—Yes, sir.

Mr. McKINLEY.—Q. Are there any deposits whatever in the United States Mint in San Francisco, or were there ever in the name of the Sunset Mining Company?

A. No, sir, not since I have been here.

(Testimony of W. W. Grisson.)

Q. Always in the name of G. W. Rumble?

A. Yes, sir. I don't remember any being made there in that name. Mr. Rumble always put them in his own name.

Cross-examination.

Mr. HART.—Q. How long have you occupied the position that you have testified to?

A. Since January 1, 1901.

Q. And do you know whether these statements here are correct of your own knowledge?

A. Yes, sir. I went over the books since then, and that is all we can find.

Q. These are official records kept in the office of the United States Mint at San Francisco?

A. Yes, sir.

Q. And do not contain any statements of the United States Mint or other government offices in other places or other than the one in which you serve?

A. That is all.

Q. And you say that you have compared all of these and that they are correct?      A. Yes, sir.

Q. And you know of no others other than these deposits in the Mint at San Francisco?

A. That is right.

Q. Have you gone over the additions to know whether it is right or not?      A. Yes, sir.

Q. And the total amount here is net value, \$21,882.95.

(Testimony of W. W. Grisson.)

A. Yes, sir. Those computations I did not make myself. They were made by three different parties:

Redirect Examination.

Mr. McKINLEY.—Q. What period do these deposits cover?

A. The dates are on there of each deposit. I think there are eleven in all.

And the following is a copy of said deposits:

1901.

Jan. 2 .....\$214.93

May 13 ..... 55.26

1902.

Jan. 17 .....3,436.24

Jan. 22 ..... 566.68

May 22 .....2,409.63

June 24 .....2,387.30

Nov. 11 .....2,515.53

Nov. 18 ..... 360.25

Nov. 25 ..... 692.14

1903.

Mar. 2 .....6,422.49

July 29 .....2,822.50

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\$21,882.95

SAMUEL A. PRESTON, called for the United States, sworn.

Mr. McKINLEY.—Q. Where do you reside?

A. Philadelphia.

Q. Your business is what?

A. Assistant Weigh Clerk United States Mint, Philadelphia.

Q. How long have you been such?

A. About nine years.

Q. I will ask you whether or not during your incumbency as clerk in the United States Mint at Philadelphia you have had any deposits of gold bullion said to be from the Sunset Mining Company of California?

A. I can only testify during the period of 1900, 1901, 1902 and 1903.

Q. I show you this slip and ask you whether or not that represents a deposit of gold bullion in the United States Mint at Philadelphia in the name of Hayden Whitney (handing)?

A. Yes, sir.

Mr. McKINLEY.—I offer the slip in evidence.

Mr. HART.—We object to that as irrelevant, immaterial and incompetent.

The COURT.—Let it go in temporarily.

Mr. HART.—I will take an exception.

Mr. McKINLEY.—I intended to state the substance of it to the jury, if your Honor will let me.



(Testimony of Samuel A. Preston.)

Said deposit slip shows a deposit in said United States Mint at Philadelphia amounting in value to \$359.91, the date of same being April 17, 1903.

Q. Is that the only deposit of that character that there is or has been during those years at the United States Mint at Philadelphia?      A. Yes, sir.

Cross-examination.

Mr. HART.—Q. Mr. Preston, you have a great many deposits in the Philadelphia Mint, do you not?

A. Yes, sir.

Q. During the time you have testified?

A. Yes, sir.

Q. From what time to what time did you state to counsel that you had examined the books?

A. From 1900, 1901, 1902 and 1903.

Q. That includes the whole of the year 1900?

A. Yes, sir.

Q. And the whole of 1903?      A. Yes, sir.

Q. How much bullion or gold dust have you had deposited in the Philadelphia Mint during that period of time by divers persons?      A. I cannot answer.

Q. Many millions, have you not?

A. Yes, sir; in the millions.

Q. All you know is that when a certificate is issued, it is generally issued to the person who makes the deposit?      A. Yes, sir.

Q. And you simply take down what they may say in reference to where it is from?      A. Yes, sir.

(Testimony of Samuel A. Preston.)

Q. That you do not verify or undertake to verify?

A. No, sir.

Q. Therefore, if any bullion had been deposited or gold dust, in the Philadelphia Mint by other persons on account of Mr. Rumble, or the Sunset Mining Company, you would not have known it, unless they had stated to you at the time that it was deposited for his account?

A. No, sir.

JAMES K. BULGER, called for the United States, sworn.

Mr. McKINLEY.—Q. Mr. Bulger, where do you reside? A. San Francisco.

Q. What is your business?

A. Clerk in the Selby Smelting and Lead Company.

Q. How long have you been such clerk?

A. About 25 years.

Q. I will ask you, Mr. Bulger, whether or not you have made an examination of the records of the Selby Smelting and Lead Company for the purpose of ascertaining whether deposits of gold bullion have been made, either by George W. Rumble, or by the Sunset Mining Company? A. Yes, sir.

Q. I will ask you whether such deposits have been made, in the first place, by the Sunset Mining Company?

A. No, sir.

Q. I show you these documents and ask you to state whether or not they represent deposits in the name of George W. Rumble? A. Yes, sir.

(Testimony of James K. Bulger.)

Q. What is the total amount of those deposits?

Mr. HART.—I object to the question on the ground that it is immaterial, incompetent and irrelevant; further, that the witness has simply testified that he examined the books without testifying to his knowledge. I submit that the books are not evidence in a criminal case, because the defendant is entitled to be confronted by the witness on the stand who knows the facts as independent from the books; therefore the testimony is incompetent in the shape in which the question is put.

The COURT.—Do you desire the books?

Mr. HART.—I desire either the books or someone who knows the evidence.

The COURT.—You are entitled to the books. If that is all the witness knows, he does not know anything but what he saw in the books. You are entitled to them.

Mr. McKINLEY.—Q. Did you examine the books?

A. Yes, sir.

Q. You know, then, that that statement is a correct transcript of the books? A. Yes, sir.

Q. I will call your attention to four receipts bearing upon the back the endorsement, "G. W. Rumble"?

Mr. HART.—Are you testifying, Mr. District Attorney, that that is Mr. Rumble's endorsement?

Mr. McKINLEY.—I am describing it.

(Testimony of James K. Bulger.)

The COURT.—He is going to ask a question pretty soon.

Mr. McKINLEY.—I am trying to.

The COURT.—Proceed to ask it.

Mr. McKINLEY.—I offer the four slips in evidence.

Mr. HART.—I object to them as immaterial, irrelevant and incompetent.

The COURT.—I overrule the objection. Those slips will go in evidence. They show actual deposits made by the defendant.

Mr. HART.—We will take an exception.

(The slips are marked "United States Exhibit No. 38.")

#### Cross-examination.

Mr. HART.—Q. Do you know, Mr. Bulger, whether these receipts here are signed? These are duplicates or originals? A. Original receipts.

Q. I notice the name here "James K. Bulger"; that is your signature? A. Yes, sir.

Q. What is your position at the Selby Smelting Works? A. Clerk.

Q. Did you weigh the gold or the bullion that was left with the company?

A. I have weighed some. I could not tell if I weighed those exact deposits.

Q. How did you come to make these out?

(Testimony of James K. Bulger.)

A. The gold was brought in by Mr. Rumble. We issued that receipt to him.

Q. When you say "We," do you mean the Company or yourself?           A. I issued the receipt.

Q. And then, these statements here—who issued them? What clerk? Yourself?           A. No, sir.

Q. Who issued those?

A. They are made out by another clerk there and the cashier pays them.

Q. And then do you enter the account of each one of these in your book?           A. Yes, sir.

Q. With all the deposits made by everybody?

A. Yes, sir.

Q. So that if any deposit was ever made in the company's place your books would show the name of the depositor?           A. Yes, sir.

Q. You say this was all that was deposited by Mr. Rumble?           A. Yes, sir.

Q. Do you know whether any other deposits were made there in the name of any other person for or on account of the Sunset Mining Company or Mr. Rumble?

A. Not that I know of.           )

Q. If deposits were made by other persons by name, you would not know it, would you?

A. I would not know it was the Sunset Mining Company.

Q. Exactly. In other words, you would not know for whose benefit it was?           A. No, sir.

(Testimony of James K. Bulger.)

Q. This period of time here is all in 1902, is it not?

A. Yes, sir.

Q. Your books, if they were here—I am trying to save the trouble of bringing them here and to save time—if your books were brought they would simply show the entry of the accounts for which these certificates were issued?

A. Yes, sir.

Q. That is, I mean so far as Mr. Rumble is concerned?

A. Yes, sir.

Q. I see there are three deposits. Are you sure he did not make more than three deposits?

A. That is all I can find on the books. The deposits amount to \$2,462.87, and were as follows:

Oct. 28, 1902.....	\$ 510.42
Nov. 5, 1902 .....	1,593.28
Nov. 17, 1902 .....	359.17
	<hr/>
	\$2,462.87

Q. Then these certificates, all you know about them is what is shown by the books?

A. Yes, sir.

Mr. HART.—I move to strike out this Exhibit No. 38, on the ground that it simply shows what the books would show if presented, and therefore the evidence is incompetent as against the defendant in the criminal case.

The COURT.—I overrule the objection. You have succeeded in getting out the testimony that the District Attorney tried to get out, and that the Court would not permit.

(Testimony of Louis L. Green.)

Mr. HART.—Perhaps I am helping him out. I want to save my exception.

The COURT.—If you are satisfied with that kind of evidence, the Court is.

Mr. HART.—I am not here to make this case last as long as possible. I am not paid by the day, but I want to be just to my client. I do not want the books now, because this witness has testified all that I want to know. I have made my objection. Your Honor has ruled on it, and I reserve my exception.

LOUIS L. GREEN, called for the United States, sworn testified as follows:

Mr. McKINLEY.—Q. Where do you reside?

A. Oroville.

Q. Butte County, California? A. Yes, sir.

Q. What is your business?

A. I am in the banking business.

Q. At Oroville? A. Yes, sir.

Q. Connected with what bank?

A. Rideout, Smith & Co.

Q. How long have you been employed at that bank in Oroville? A. Twenty years.

Q. Do you know the defendant George W. Rumble?

A. Yes, sir.

Q. Did your bank have an account with the defendant Rumble? A. Yes, sir.

(Testimony of Louis L. Green.)

Q. Beginning with what period approximately?

A. I could not tell you offhand. There is a statement rendered of it.

Q. I will show you what purports to be a record of deposits and withdrawals from the account of George W. Rumble with the bank of Rideout, Smith & Co. of Oroville, and ask you whether or not those documents represent the transactions that your bank has had with reference to the account of George W. Rumble?

A. Yes, sir, that is a transcript of the account.

Q. The total amount of the deposits are what?

A. It is shown there by the account.

Q. Look at it, and tell us briefly so that we can get it without unnecessary delay?

A. Thirty-four thousand six hundred and twenty-four dollars and twenty-four cents.

Q. And the withdrawals?

A. That amount less \$136.29, which was the balance at the time this statement was taken.

Q. There was that much remaining at the date of that statement?

A. On the 26th of October at the date of this statement.

Q. Have you any account with the Bank of Rideout, Smith & Co. of Oroville, or ever have had any account in the name of the Sunset Mining Company?

A. No, sir.

Q. Have they ever had a cent on deposit at your bank?



(Testimony of Louis L. Green.)

A. No, sir, they never had any account.

Mr. McKINLEY.—I will offer these tags in evidence.

Mr. HART.—I should like to examine the witness a moment or two on this subject.

Q. Mr. Green, did you take in these deposits yourself personally?

A. Some of them I did. Some came by letter. Others were taken by my assistants.

Q. By persons under your direction?

A. Yes, sir.

Q. And the account commenced here according to this statement on April 16, 1900, that would be correct?

A. It is correct whatever the statement shows, because I personally examined the statement.

Q. Running down to October 24, 1903?

A. Yes, sir.

Q. So far as you know this contains all of the deposits and all of the withdrawals?      A. Yes, sir.

Mr. HART.—Are you going to offer them altogether?

Mr. McKINLEY.—Yes, altogether.

Mr. HART.—We object to it on the ground that it is immaterial, irrelevant and incompetent, and on the further ground that it calls for the statement of account kept by the bank, and not under the control or direction of the defendant, and that the statement is hearsay and immaterial.

(Testimony of Julius G. Cadman.)

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(The papers are marked "United States Exhibit No. 39.")

The exhibit shows deposits amounting to \$34,624.24; the copying of the exhibit into this Bill of Exceptions is dispensed with by the agreement of the parties.

JULIUS G. CADMAN, called for the United States, sworn, testified as follows:

Mr. McKINLEY.—Q. Where do you reside?

A. San Francisco.

Q. And what is your business, Mr. Cadman?

A. In the banking business.

Q. Connected with what bank?

A. Wells, Fargo's.

Q. How long have you been in the Wells, Fargo bank?      A. About seven years.

Q. I will ask you whether or not, your bank, the Bank of Wells, Fargo & Co., has had an account with the defendant, George W. Rumble?      A. They did.

Q. Beginning with what period of time?

A. The account of George W. Rumble was opened on February 22, 1900, and closed on March 24, 1900.

Q. What was the amount of that account?

A. One thousand dollars.

Q. Was it afterwards re-opened?

(Testimony of Julius G. Cadman.)

A. It was re-opened in the name of "George W. Rumble, Secretary."

Q. Not secretary of any particular institution, but simply secretary?           A. That is all.

Q. When was that reopened?

A. That was reopened March 24, 1900, and closed on November 23, 1901.

Q. Was that the last transaction that your bank had with the defendant?           A. Yes, sir.

Q. On March 23, 1901?

A. November 23, 1901.

Q. Now, Mr. Cadman, will you tell me the total amount of the deposits in the name of G. W. Rumble, or G. W. Rumble, Secretary, or both of them, in your bank?           A. The account of G. W. Rumble.

Q. One thousand dollars you said that was?

A. Yes, sir.

Q. What was the other?

A. The account of G. W. Rumble, Secretary, \$32,828.81, and the withdrawals were \$33,822.90—No—the deposits were \$32,956.15 and the withdrawals amount to the same thing.

Q. In other words, the account was closed?

A. Yes, sir, the account was closed by the withdrawal of \$127.34.

Q. This paper that you have been referring to is a transcript of that account?           A. Yes, sir.

(Testimony of Julius G. Cadman.)

Q. Are these deposit tags showing deposits in the name of G. W. Rumble, and G. W. Rumble, Secretary?

A. Yes, sir.

The COURT.—Q. As shown by the statement?

A. Yes, sir.

Mr. McKINLEY.—I offer the deposit tags and the statement in evidence.

Cross-examination.

By Mr. HART.—Q. Whose pencil marks are on this paper, Mr. Cadman?                   A. I do not know.

Q. Yours?                   A. I do not know.

Q. I notice that the several statements here are entitled, G. W. Rumble, Secretary, and the account seems to be closed November 22, 1901, and the balance that you have here is \$10,191.04. You seem to have two accounts with him as secretary. Am I to understand that the totals that you have mentioned there includes both of these accounts?

A. The account of G. W. Rumble was opened—the dates are there—for \$1,000, and about a month or two after that it was closed out, and opened again in the name of G. W. Rumble, Secretary, and that \$1,000 was deposited there, and the account continued as G. W. Rumble, Secretary, until it was closed.

Q. Are those your figures in pencil there?

A. No, sir.

Q. Are any of those figures in pencil yours?

A. No, sir.

(Testimony of Julius G. Cadman.)

Q. Or any employee in the bank?

A. Not that I know of.

Q. Are any of those on the first page any of the employees of the bank?           A. No, sir.

Q. Do the same state of facts exist as to the pencil figures on page 3?           A. Yes, sir.

Q. Also on page 4?           A. Yes, sir.

Q. Also on page 5?           A. Yes, sir.

Q. Also on page 6?           A. Yes, sir.

Q. And those on the last page, where it is tabulated here in pencil, you had nothing to do with.

A. No, sir.

Q. Those others you have compared, and find those that are typewritten are correct?

A. Yes, sir, they are correct.

Q. According to the books?           A. Yes, sir.

Mr. McKINLEY.—I offer these deposit tags, and the statement of the accounts in evidence, as I have already stated.

Mr. HART.—We object to so much of that statement of account as is contained in pencil on the ground that it is not made by the witness or any employee of the bank.

Mr. McKINLEY.—I do not want anything but the typewritten portion.

The COURT.—Very well.

Mr. HART.—We object to it on the ground that it is

(Testimony of Julius G. Cadman.)

immaterial, irrelevant and incompetent, and on the further ground that it calls for the statement of account kept by the bank and not under the control or direction of the defendant, and that the statement is hearsay and immaterial.

The COURT.—I overrule the objection.

Mr. HART.—I will take an exception.

(The papers are marked "United States Exhibit No. 40.")

Exhibit 40 shows deposits and withdrawal of money as stated above in the testimony of Julius J. Cadman, and by agreement of the parties the copying of the exhibit in this bill of exceptions is dispensed with.

Mr. McKINLEY.—Q. Do your books, Mr. Cadman, show any account whatsoever in the name of the Sunset Mining Company, or in the name of any person, as an officer of the Sunset Mining Company?

A. There is no account, and never was any account, in the name of the Sunset Mining Company, in Wells, Fargo's Bank.

FRED S. MAYHEW, called for the Government, sworn, testified as follows:

Mr. McKINLEY.—Q. Mr. Mayhew, where do you reside?      A. My legal residence is San Francisco.

Q. What is your business, Mr. Mayhew?

A. Secretary of sundry mining companies.

(Testimony of Fred S. Mayhew.)

Q. Of what mining companies?

A. The Oroville Gold Dredging Company, the American Mining Company, the Central Gold Mining Company, the Gold Garden Mining Company, United Gold Mines and the El Dorado Gold Basin Dredging Company.

Q. I call your attention to the Oroville Gold Dredging Company, of which you say you are Secretary?

A. Yes, sir.

Q. You have the books of your company here?

A. Yes, sir.

Q. I will ask you to examine those books and to state whether or not the defendant, George W. Rumble, owned or owns any stock in the Oroville Gold Dredging Company, and if so, how much?      A. He does not.

Q. Did he ever?      A. He did.

Q. How many?      A. One hundred shares.

Q. When was that that he owned that hundred shares?

A. It was issued to him on September 17, 1900.

Q. That was in his own personal name?

A. Yes, sir.

Q. Did the Sunset Mining Company, a corporation, ever at any time, own any shares in the Oroville Gold Dredging Company, as shown by your books?

A. Not of record.

Cross-examination.

Mr. HART.—Q. How long did Mr. Rumble continue to own those hundred shares, according to your records?

(Testimony of Fred S. Mayhew.)

A. According to my record that was transferred out of his name on January 14, 1904.

Q. Is that Oroville Dredging a paying company?

A. Yes, sir.

Q. And has been for how long?

A. It has paid dividends since November of 1901, to the best of my recollection.

Q. Up to the present time?

A. No, the last dividend was paid in December of January.

Q. Of this year?

A. Either December of last year or January of this year, I do not recollect which.

Q. How long has that company owned a dredger?

The COURT.—It seems to me that is a very wide range for cross-examination.

Mr. HART.—I suppose so, but this witness is going to leave in a few days and I want to ask a few questions. That is the reason I am examining him on these matters.

A. This company built that dredger in the year 1900.

Q. Of what capacity?

A. Six hundred or eight hundred yards daily capacity.

Q. There are a great many dredgers at work in and around Oroville?           A. Yes, sir.

Q. For the past three years?           A. Yes, sir.

Q. How many in all?



(Testimony of Fred S. Mayhew.)

A. Twenty to twenty-five; I couldn't say the exact number.

Q. Do you know the "Old Glory" mine?

A. Yes, sir.

Q. Did you ever visit Mr. Rumble there?

A. Yes, sir, I have been there as Mr. Rumble's guest.

Redirect Examination.

Mr. McKINLEY.—Q. The counsel has asked you as to the payment of dividends. I will ask you whether or not dividends on that one hundred shares of stock in the name of G. W. Rumble were ever paid to the Sunset Mining Company, or whether it was paid to G. W. Rumble?

A. Those dividends were all paid, each and every one of them, some twenty-five or more, by checks in favor of either G. W. Rumble or George W. Rumble.

Q. But not to the Sunset Mining Company?

A. No, sir.

Mr. HART.—Q. Do you know whether or not that money was turned over by him to the Sunset Mining Company?           A. I do not.

THOMAS M. BRAITHWAITE, called for the Government, sworn, testified as follows:

Mr. McKINLEY.—Q. Mr. Braithwaite, where do you reside?           A. Williams, Cook County, Illinois.

Q. What is your business, Mr. Braithwaite?

A. Head bookkeeper of the Illinois Trust and Savings Bank of Chicago.

(Testimony of Thomas Braithwaite.)

Q. How long have you been connected with the Illinois Trust and Savings Bank?

A. Since May, 1901.

Q. I will ask you, Mr. Braithwaite, whether or not the records of your bank show there has ever been an account in your bank, the Illinois Trust and Savings Bank, in the name of G. W. Rumble?

A. There is, sir.

Q. When was that account opened, if you can state?

A. I can state from this statement. (Statement having been handed witness.)

Q. Just the ultimate figures. I don't care for the details.

A. Mr. Rumble originally had an account with us in July, 1881. That account was closed out later, and was then re-opened in December, 1899, with a deposit of \$4,855, and the balance of the old account, \$9.85.

Q. When was that account closed, if it has been closed?

A. The last transaction in that account was September 25, 1903.

Q. What was that transaction? There is still a balance of \$25.66. What was the last transaction?

A. That was a check of \$1.24, which we paid September 25, 1903.

Q. Now, what was the total amount of deposits, as shown by that last account, that account that was opened, I believe you say, in 1899?

(Testimony of Thomas Braithwaite.)

A. The account which was opened in December, 1899, was closed in March, 1902. Up to that time there had been deposits of \$13,489.40. The account was reopened the same month, March, 1902, and there has been deposited \$16,965.88.

Q. So that the total will be—

A. The two added together, \$13,489.40 and \$16,965.88; that gives the total deposits.

Q. You have told us that the withdrawals amount to that sum with the exception of some \$25.

A. Twenty-five dollars and sixty-six cents, which is the balance existing April 18, 1904.

Q. Did your bank ever have an account in the name of the Sunset Mining Company?

A. Not at any time.

Q. Or in any other name than G. W. Rumble?

A. G. W. Rumble is the only account we ever had.

Mr. McKINLEY.—Just one other question. I will ask you now to look at this letter dated "San Francisco, March 24, 1902, addressed to the Illinois Trust and Savings Bank of Chicago, Illinois, and signed "Respectfully, G. W. Rumble," and I ask whether or not you received that letter from Mr. Rumble through the mail and acted upon it.

A. This letter was duly received by us in the ordinary course of mail and was answered March 28, 1902.

Mr. McKINLEY.—I offer this letter in evidence.

Mr. HART.—Mr. Braithwaite, do you know positively,

(Testimony of Thomas Braithwaite.)

of your own knowledge, that this was received by mail?  
Did you open the letter yourself?

A. I did not open it myself.

Q. You saw it opened?           A. I did not.

Q. Do you know whether it came by mail or express?

A. I know that all our correspondence was received in the ordinary course of mail from Mr. Rumble.

Q. As to this letter, how was it?

A. I do not know positively, I know that all our letters come by mail.

Q. Did you open that letter or was it opened by some other person?           A. By some other person.

Q. You have not got the envelope of this?

A. No, sir.

Q. You do not remember having ever seen it?

A. No, sir.

Q. You never saw it?

A. I never saw the envelope.

Mr. HART.—We object to the introduction of the letter on the ground that it is irrelevant, immaterial and incompetent and on the further ground that it is not shown that it came by mail or was received by mail, or sent by mail, and on the further ground that it is not a letter alleged or treated of in the indictment or mentioned therein; it has nothing to do with reference to the stock of the Sunset Mining Company.

The COURT.—Let me see the letter.

Mr. McKINLEY.—Certainly. (Hands letter to Court.)

(Testimony of Thomas Braithwaite.)

The COURT.—It is not relevant.

Mr. McKINLEY.—If your Honor please, the letter is offered in evidence in order to show that the entire balance of account, in the name of G. W. Rumble was transferred to Mrs. Frank Rumble, his wife; that is all I wish to offer it for. I do not believe it is necessary at all to show that this letter came by mail. I do not think that that has to be shown, if we can show that the defendant wrote this letter. It does not matter whether it came by mail or whether it did not come by mail.

The COURT.—Let it go in.

Mr. HART.—The defendant excepts.

Mr. McKINLEY.—The letter is only three or four lines, so I may as well read it.

**United States Exhibit No. 41.**

San Francisco, Cal., March 24, 1902.

Ill. Trust and Savings Bank, Chicago, Ill.

Gentlemen: Send by Wells, Fargo & Co. express Greenbacks for my entire balance and address same to Mrs. Frank Rumble, 431 Ellis Street, "The Stewart," San Francisco, Cal.

Respectfully,

G. W. RUMBLE.

(The letter is marked "United States Exhibit No. 41.")

In addition to that, Mr. Braithwaite, I call your attention to a letter on the heading of the Sunset Mining

(Testimony of Thomas Braithwaite.)

Company, dated San Francisco, April 2, 1902, addressed to the Illinois Trust and Savings Bank, and signed "Respectfully, G. W. Rumble," and ask you whether or not your bank received that communication, and acted upon it?

A. We also received this communication by the same method as the previous one.

Mr. McKINLEY.—I offer this one also.

Mr. HART.—Q. Did you open this letter?

A. I did not.

Q. In other words, the facts pertaining to this letter are the same, as to whether or not it came through the mail, as the one just referred to?

A. Exactly the same.

Mr. HART.—We object to this letter on the same grounds as specified in regard to Exhibit No. 41.

The COURT.—Let me see the letter. (Letter is handed to Court.) The objection will be overruled.

Mr. HART.—Exception.

(Letter read in evidence as follows:)

**United States Exhibit No. 42.**

San Francisco, California, U. S. A.,

April 2, 1902.

Illinois Trust & Savings Bank, Chicago, Ill.

Gentlemen: My wife, Mrs. Frank Rumble, to whom you addressed that package containing money has gone to Honolulu and will be absent several months. The

(Testimony of Thomas Braithwaite.)

Wells Fargo Express Company refuses to deliver the package to any person except the one to whom it was addressed without instructions from you to the contrary.

Please write them a letter, instructing them to deliver it to me, Room 58, Chronicle Building, which enclose to me.

Respectfully,

G. W. RUMBLE.

And a stamp upon it to the following effect: "Answered April 7, 1902. H. B. K."

(The letter is marked "United States Exhibit No. 42.")

Q. I now call your attention, Mr. Braithwaite, to a letter dated San Francisco, April 10, 1902, signed, "Respectfully, G. W. Rumble," and the word "Secretary" in handwriting is scratched out with two lines, and I ask you to state whether or not your banking institution received that letter and acted upon it?

A. This letter was received just the same as the two previous ones and acted upon.

Mr. McKINLEY.—I offer this one.

Mr. HART.—Q. The fact is, whether this letter was received through the mails; so far as you know is the same as you testified to in regard to Exhibit No. 41?

A. Exactly the same.

Q. You didn't open the letter and didn't see the envelope? A. Exactly the same as the two before.

(Testimony of Thomas Braithwaite.)

Mr. HART.—We object to this letter on the same grounds as to Exhibit No. 41.

(Letter is handed to the Court.)

The COURT.—The objection will be overruled.

Mr. HART.—Exception.

(The letter was read in evidence as follows:)

**United States Exhibit No. 43.**

San Francisco, California, U. S. A.,

Apr. 10, 1902.

Gentlemen: Please address a letter to the Wells, Fargo Express Co., San Francisco, instructing them to deliver that money package, which you sent me, addressed to my wife, Mrs. Frank Rumble, 431 Ellis St., and who went to Honolulu for a couple of months prior to the arrival of the money package to me at my office, Room 58 Chronicle Building instead of to Mrs. Frank Rumble.

Respectfully,

G. W. RUMBLE.

The word "Secretary—S-e-c-t-y" appears below the signature of Mr. Rumble, and two lines are drawn through the letters "Secty."

(The letter is marked "United States Exhibit No. 43.")

Q. Now, while we are on this transaction, Mr. Braithwaite, in connection with the transfer of that money, I call your attention to an entry on the transcript from your books that you have referred to, under date of



(Testimony of Thomas Braithwaite.)

March 28th, as I read it, 1902, and ask you whether or not that transcript from your books, refers to that identical transaction?

A. Will you allow me to see the letters, please?

Mr. McKINLEY.—The letters? Certainly. Do you want to see those three?

A. Yes, sir, please.

Q. Certainly. (Hands letters to witness.)

A. That entry refers to this transaction.

Q. Will you read the entry?

A. (Reading): March 28, 1902, currency to Mrs. Frank Rumble, letter 32,402, \$1,059.28.

Q. That indicates that that amount was sent to Mrs. Frank Rumble? A. Yes, sir.

Mr. McKINLEY.—Q. Have you any account, or has your bank any account in the name of the Sunst Mining Company? A. None at all, sir.

Cross-examination.

Mr. HART.—Q. Did you have charge of receiving and opening accounts of nonresident correspondents?

A. That all passed through my hands, sir.

Q. Do you remember whether or not any application was made to open an account in the name of "George W. Rumble, Secretary?"

A. Mr. Rumble at one time made an application to the bank to have his account changed, and I think his

(Testimony of Thomas Braithwaite.)

wish was to have it changed to "George W. Rumble, Secretary," but we objected to doing so.

Q. Is it not also a fact that he made application to open an account for the Sunset Mining Company, and you preferred not to do so?

A. No, sir, not to my knowledge.

Q. Now, what did you say were the total deposits from December, 1899, up to March, 1902?

A. I cannot state without looking at that statement. (Statement is handed witness.) From December, 1899, to March 17, 1902, the total deposits, including interest, were \$13,489.40.

Q. And then how much of an account subsequent to that?

A. From March 31, 1902, to January 2, 1903, \$16,965.88.

Q. How much since?

A. Nothing since the last deposit, which was January 2, 1903.

Q. How much was the amount of money you sent by express for Mrs. Frank Rumble?

A. One thousand fifty-nine dollars and twenty-eight cents.

Q. Mr. Rumble had an account with your bank for many years previous to this, had he not?

A. He had, sir.

Q. What were the total deposits of those accounts?

A. The account was opened first in July, 1881. The

(Testimony of Thomas Braithwaite.)

total deposits up to November 1, 1887, were \$155,215.43. The account was closed at that time.

Q. Give me those figures again.

A. One hundred fifty-five thousand two hundred and fifteen dollars and forty-three cents. The account was closed at that time and reopened.

Q. Closed at what time?

A. November 14, 1887. It was reopened in February, 1889, and closed May 27, 1890.

Q. How much was that?

A. The total deposits during that period were \$7,288.56. The account was again opened June 24, 1890, with a deposit of \$30, and was closed the day following by the same amount. The account was again opened in August, 1890, and the last transaction was June 3, 1896. The deposits during that period were \$10,078.52, and a balance was left of \$9.89, which was carried over to the new account, when Mr. Rumble reopened it.

Q. In 1900?           A. In 1899.

#### Redirect Examination.

Mr. McKINLEY.—Q. One question, Mr. Braithwaite: Counsel asked you whether or not—counsel has drawn from you the fact that Mr. Rumble wanted to have an account opened in his name, as “G. W. Rumble, Secretary.” You declined to do that?

A. We did.

Q. Will you state the reason why you declined?

(Testimony of Thomas Braithwaite.)

A. We require, according to the laws of the State of Illinois, some fuller information as to the reasons, the why and wherefore, as to the account being opened under that title.

Q. Did you require to know of what institution he was secretary?

A. We wanted some definite proof of what institution he was secretary of.

Q. Do I understand you to say that the proof was not forthcoming?

A. That proof was no forthcoming, and we refused to open an account in the name of "G. W. Rumble, Secretary."

Q. Do I understand you to say—I don't want to lead the witness—that Mr. Rumble declined or refused to furnish this information?

A. That information was not forthcoming, and we wrote Mr. Rumble that the account would stand as it then stood.

JAMES K. LYNCH, called for the Government, sworn, testified as follows:

Mr. McKINLEY.—Q. Mr. Lynch, you reside in San Francisco?

A. Well, I reside in Alameda County.

Q. What is your business, Mr. Lynch?

A. I am the cashier of the First National Bank in this city.

(Testimony of James K. Lynch.)

Q. I will ask you whether or not your bank has ever had an account with one George W. Rumble?

A. Yes, sir, we had.

Q. When was that account opened?

A. I haven't the date in my mind.

Q. I show you this, and ask you whether that represents the transaction. (Showing.)

A. Yes, sir, that is the original deposit tag of the opening of the account.

Q. Mr. Lynch, will you kindly state under what circumstances that account was opened by Mr. Rumble?

A. Mr. Rumble came into the office one day and said he wished to open an account with the bank, and I asked him the nature of the account, and he said—I don't remember what his explanation was—but he showed me a passbook on the Columbian Banking Company in this city, in which he had quite a deposit, and desired to transfer it. So the account was accepted and opened with a check on the Columbian Banking Company, and some cash.

Q. Will you again look at this paper (showing) and state from it the total amount of that account, the deposits and withdrawals?

A. There was but one deposit.

Q. That amounted to how much?

A. That amounted to \$8,659.16.

Q. Was that account afterwards closed?

A. The account was closed by two checks. It was opened on the 24th of January and closed the 29th, 1902.

(Testimony of James K. Lynch.)

Q. Only lasted five days. Did you ever have an account with the Sunset Mining Company in your bank?

A. Not to my knowledge.

Q. What year is that? A. 1902.

Mr. McKINLEY.—I offer this deposit tag and the statement showing the opening and the closing of the account, in evidence.

§ Cross-examination.

Mr. HART.—Q. Mr. Rumble spoke to you personally, did he? A. Yes, sir.

Mr. McKINLEY.—First, I will ask the Court to rule on the admissibility of this.

Mr. HART—I have not objected to it, because he says he did the business with Mr. Rumble himself.

Re-examination in Chief.

Mr. McKINLEY.—Q. I show you this, and ask you whether or not Mr. Rumble wrote that in your presence, on that deposit tag? A. Yes, sir; he wrote that.

Q. Will you tell me this, Mr. Lynch, if you know: Why the account of Mr. Rumble came to be closed; the circumstances under which it was closed, the why and wherefore.

Mr. HART.—I object to that as irrelevant.

The COURT.—It may be; I cannot tell. Objection overruled.

(Testimony of James K. Lynch.)

Mr. HART.—Exception.

A. The check on the Columbian Banking Company was refused payment, and on our inquiry we were informed that it was drawn against a check that was outstanding for collection, and was not paid until after his account was opened, and my attention was called to the fact that Mr. Rumble was engaged in selling stocks in mining claims.

Mr. HART.—Was that check afterwards paid, Mr. Lynch?

A. It was charged back immediately to Mr. Rumble's account, and I do not recall as to the payment of the check. My impression is that it was not paid to us, though it may have been paid.

Q. I notice on this deposit tag the words "New Chronicle Building." That is in Mr. Rumble's handwriting?

A. No, sir; that is in one of our tellers.

I. J. TRUMAN, called for the Government, sworn, testified as follows:

Mr. McKINLEY.—Q. Mr. Truman, you reside in San Francisco? A. Yes, sir.

Q. You formerly were an officer of the Columbian Banking Company of San Francisco? A. Yes, sir.

Q. What was your position there in the Columbian Banking Company?

A. I was president from 1893 until some time last year; some time in November.

(Testimony of I. J. Truman.)

Q. Mr. Truman, during the time you were connected with that institution, the Columbian Banking Company, did the Company have an account with George W. Rumble?      A. Yes, sir.

Q. When was that account opened? I show you this, so you may refresh your memory if necessary (handing paper).

A. It was opened October 17th, 1901.

Q. And closed when?

A. And closed October 27th, 1902.

Q. What were the total amounts of deposits to that account in the name of George W. Rumble?

A. Eighteen thousand, four hundred and six dollars, and two cents.

Q. And withdrawals?      A. The same amount.

Q. It was all withdrawn?      A. Yes, sir.

Q. I show you these deposit tags attached to this transcript of the account, and ask you whether or not those represent the deposits that Mr. Rumble made to that account?      A. Yes, sir.

Q. They agree, do they, with those figures (showing paper)?

A. Yes, sir; I think I checked them off myself.

Mr. McKINLEY.—Q. During the time you were connected with the Columbian Banking Company, did your bank have any account in any shape, form or manner, with the Sunset Mining Company?

A. No, sir.



(Testimony of I. J. Truman.)

Q. The only account you testified to, is in connection with George W. Rumble?

A. That is the only account we ever had.

Cross-examination.

Mr. HART.—Q. Do you remember the circumstances of the check that was in process of collection that was mentioned by Mr. Lynch, the previous witness?

A. Yes, sir.

Q. Was that finally paid?           A. Yes, sir.

ALECK LONG, called for the Government, sworn, testified as follows:

Mr. McKINLEY.—Q. Mr. Long, where do you reside?

A. In San Francisco.

Q. What is your business?

A. I am the bookkeeper of the Crocker-Woolworth National Bank.

Q. How long have you been connected with the Crocker-Woolworth National Bank?

A. Nearly three years.

Q. Did your bank ever have any account with G. W. Rumble?           A. It had.

Q. I will show you this sheet containing an account and ask you whether that represents the account that your bank had with him (showing paper)?

A. That represents the account, yes, sir.

Q. I notice that this account is G. W. or Mrs. G. W. Rumble." Is that the way the account stood?

(Testimony of Aleck Long.)

A. That is the title of the account.

Q. When was that account opened first?

A. December 9, 1901.

Q. And it was closed when?

A. The last transaction was on October 28, 1903.

The account was attached on October 28, 1903.

Q. What was the total amount of the deposits to that account?      A. The total amount was \$180,363.87.

Q. And the total withdrawals?

A. At the present time—I have a memorandum here of the account as it stands.

Q. Use it.

A. At the present time there is \$344.25 remaining.

Q. I show you these deposit tags and ask you whether or not those represent the deposits as shown in the account which you have testified from?

A. Yes, sir, they represent the deposits.

Q. You have checked those up, have you, and find they tally with the figures?

A. Yes, sir, with the figures there.

Mr. McKINLEY.—I understand you want the deposit, and I will not offer them. I will offer the account of “G. W. or Mrs. G. W. Rumble” in evidence.

Mr. HART.—Q. Did you keep these books personally, Mr. Long?      A. A portion of the time, I have.

Q. What portion of the time?

A. I cannot say, because we were changed from one

(Testimony of Aleck Long.)

set of books to another about every three months. I think I had them on two different occasions.

Q. Have you got the right title to this account?

A. That is the correct title.

Mr. McKINLEY.—Did you ever have an account, Mr. Long, in the name of the Sunset Mining Company?

A. Never that I know of.

Mr. McKINLEY.—Q. Did you ever have the name of the Sunset Mining Company at all on the books of the Crocker-Woolworth bank? A. Not at all.

A JUROR.—Q. Being in the name of Mrs. Rumble, did that give her authority to draw the money?

A. Yes, sir, it gave her the authority.

Mr. HART.—Q. Do you know whether she ever drew any or not? A. I do not.

JOHN H. MYERS, called for the Government, sworn, testified as follows:

Mr. McKINLEY.—Q. Mr. Myers, where do you reside? A. Philadelphia.

Q. What is your business?

A. I was treasurer and secretary of the Union Surety and Guaranty Company of that city.

Q. How long have you been such?

A. Since 1889, the organization of the company.

Q. Has your bank ever had an account with one George W. Rumble?

(Testimony of John H. Myers.)

A. An account was opened for the Sunset Mining Company, George W. Rumble, Treasurer or Secretary.

Q. When was that opened?

A. You have the date there in the original, 1901.

Q. I show you the document (handing).

A. This account is 1902, November 18, 1902.

Q. And closed when?

A. It is not closed yet. There is a small balance there—\$50.62.

Q. How were the checks paid—at least how were the checks drawn against the account?

A. By George W. Rumble, according to that sample check you have there, I think.

Q. That was the way in which he—

A. That is the way the account should be opened—G. W. Rumble, Secretary of the Sunset Mining Company, Dividend check.

Q. The only signature, then, that was required is “G. W. Rumble”—that is all?

A. That was the arrangement.

Q. That is the sample check? You received that check from Mr. Rumble?

A. Yes, sir, from Mr. Rumble by mail.

(Testimony of John H. Myers.)

No. 241. San Francisco, Cal., Dec. 1, 1902.

Monthly Dividend No. 106.

THE UNION SURETY AND GUARANTY COMPANY  
1428 Chestnut Street, Philadelphia, Pa.

Pay to the order of sample check sent to \$000—  
Union Surety Co. for signature.

G. W. RUMBLE,  
Secretary.

Cross-examination.

Mr. HART.—Q. What were the total deposits, Mr. Myers?

A. I have a memorandum there; the last paper, the typewritten paper. (Indicate paper.)

Mr. McKINLEY.—Q. Is that the account?

A. Yes, sir, \$41,744.26.

Mr. HART.—Q. And you say the account was opened first in November, 1902? A. November 18, yes, sir.

Q. Why did you pay these checks drawn in the form of Exhibit No. 47?

A. I had instructions from Mr. Rumble.

Q. In fact, that was the arrangement at the time he made the deposit?

A. When the account was opened.

Q. So the check was legally drawn in accordance with the arrangement with the company? A. Yes, sir.

Q. And paid in the same manner? A. Yes, sir.

(Testimony of John H. Myers.)

Q. And that was in the name of the Sunset Mining Company, and signed "G. W. Rumble"?

A. I cannot say it was in the name of the Sunset Mining Company, for he never signed a check "Sunset Mining Company"; it was signed "G. W. Rumble."

Q. But did not the check have the name—if the check had the name of the Sunset Company on it, it was accepted?

A. Yes, sir, it was printed in the margin.

Q. You know from the fact that it was printed on the check that it was to be charged to that account?

Mr. McKINLEY.—Q. Continuing right along on the same line counsel was examining, I will ask you whether the only signature required were the words "G. W. Rumble, Secretary"? A. Yes, sir.

Q. But if any other words appeared on the check, if it was not the check of the Sunset Mining Company, it would be paid anyway, would it not?

A. Yes, sir.

Q. Whether on the Sunset Mining Company's check, or otherwise? A. Yes, sir.

Q. I did not call your attention to these deposit tags, and I will ask you now to identify them?

A. Yes, sir, they were all made out in our office; they were all made out there, some in one, and some were made out in another handwriting.

Q. But at any rate they represent the deposits to that account? A. Yes, sir.

(Testimony of John H. Myers.)

Q. Is that a statement made by yourself (showing)?

A. Yes, sir.

Q. That is simply a duplicate of this?

A. Yes, sir, I thought it best to bring the original.

Mr. McKINLEY.—I offer them in evidence.

(The statement of account and deposit tags are marked, respectively, "United States Exhibit No. 48" and "United States Exhibit No. 49.")

Said Exhibits show deposits to the amount of \$41,744.26 and withdrawals to the amount of \$41,693.64, leaving \$50.62 still on deposit. The insertion of the exhibits herein is dispensed with by agreement of the parties.

GEORGE W. KIMBALL, called for the Government, sworn, testified as follows:

Mr. McKINLEY.—Q. Mr. Kimball, where do you reside?      A. Placerville, El Dorado County.

Q. In this State?      A. Yes, sir.

Q. What is your business, Mr. Kimball?

A. Mining.

Q. How long have you been a miner?

A. Thirty-five years.

Q. In what particular class of mining have you been interested; what kind of mining have you been interested in?      A. Well, all kinds.

Q. Have you been interested in drift gravel mining?

A. Yes, sir.

(Testimony of George W. Kimball.)

Q. Are you the owner, or have you been the owner of a mine or mining claim in the vicinity of Oroville, Butte County, this State?

A. Well, I am a stockholder in a company that had a bond and lease on a property.

Q. What was the name of that property?

A. We called it the Morris Ravine mine. It had various names.

Q. Do you know the "Old Glory" property in the vicinity of Oroville?      A. Yes, sir.

Q. Where was that situated in reference to your mine?      A. It led to the west.

Q. Your mine was to the east of the Old Glory mine?

A. East and partly to the north.

Q. Do you know the defendant, George W. Rumble?

A. I do.

Q. Did you see him at or near, or have you seen him at and in the vicinity of the Old Glory mine at any time?

A. Yes, sir, I have seen him at the Old Glory mine.

Q. When did he first begin to operate the Old Glory mine?      A. That I cannot tell.

Q. When did you first begin to operate the property on the east and north of the Old Glory mine?

A. September, 1902.

Q. Did Mr. Rumble have any interest whatsoever in the mine to the east of the Old Glory mine, the one you were operating?      A. I think not.

Q. You would know it, if he had?



(Testimony of George W. Kimball.)

A. It was a stock company, I do not think he had any stock in it.

Q. At any rate he was not the owner of it?

A. No, sir.

Q. And it was not in the name of the Sunset Mining Company?           A. No, sir.           |

Q. I want to see one exhibit here, No. 32. Now, your mine, as I understand you, adjoins the Old Glory on the east?           A. Yes, sir.

Q. Has that mine ever—was that mine in February, 1902, the property of the Sunset Mining Company?

A. I could not answer that. I was not acquainted with the country at that time.

Mr. McKINLEY.—Q. Was it, at any time after that period, that you had anything to do with the Sunset Mining Company's property?           A. No, sir.

Q. Has that mine ever combined with the Old Glory, and has it ever been known as the "Old Glory Extension"?

A. Not since November, 1902. I would like to correct part of an answer. I believe there is a small piece of ground that lies partly on the east of Old Glory. We do not generally lie on the east of Old Glory.

Q. Who owns that piece of ground?

A. I do not know who owns it actually. It is known as the Butte County Drift Mining Company.

Q. It is not known as the property of the Sunset Min-

(Testimony of George W. Kimball.)

ing Company; it is known as the Butte County Drift Mining Company?      A. I have never heard it called so.

Q. When you took up that property, as you say, on the east of the Old Glory property, was Mr. Rumble operating in the Old Glory shaft?      A. Yes, sir.

Q. Now, I will ask you whether or not you have any knowledge of his going over the lines of the Old Glory in his operations, and passing into the property owned by your company?      A. Yes, sir.

Mr. COTTON.—We object to that as incompetent and immaterial—his going over the line.

The COURT.—As far as I can see, it is not material.

Mr. McKINLEY.—We expect to be able to show—I do not like to read this letter over again (referring to Exhibit No. 32), but we expect to be able to show that the pay-streak that is spoken of in the letter of February 18, 1902, which refers to the gold streak extending diagonally in the direction of the property to the east, was really upon the property of the company represented by this witness. In other words, it was not the Old Glory at all. He ran over the lines of the Old Glory and this pay streak that he spoke of in the letter of February 18, 1902, was taken from the property of the company represented by this witness.

The COURT.—And you will go further and show that the defendant knew that he was over the line?

(Testimony of George W. Kimball.)

Mr. McKINLEY.—I think I can show by this witness that he knew he was over the line.

Mr. COTTON.—There is no charge in the indictment that will touch on it. Suppose he was over the line; there might be a conflict of title, but we are not here to try title.

Mr. McKINLEY.—I am unwilling, but if the Court will permit of it, I will read part of this letter. (Reads):

“The mine purchased in January adjoining Old Glory on the east is combined with Old Glory, and will be known as ‘Old Glory’s Eastern Extension.’ We value it at \$50,000. The reason we bought it was because we found Old Glory’s nugget gold pay-streak extended diagonally in that direction. It will be worked from our present Old Glory’s shaft, in connection with Old Glory’s work.”

The COURT.—If you can show that the defendant knew he was not on the land described there, proceed.

Mr. COTTON.—Exception.

The COURT.—You cannot go into the question of title. You will have to show so that there is no conflict about it; that he knew the statement in the letter was also when he wrote it. When was that letter dated?

Mr. McKINLEY.—That letter is known as “United States Exhibit No. 32,” and the date of it is February 18, 1902.

(Testimony of George W. Kimball.)

The COURT.—This witness says he knows nothing about that prior to September, 1902, at any time prior to the date of that letter. That is the question, what did he know of that piece of land?

The WITNESS.—I did not know the country prior to the date of that letter.

Mr. McKINLEY.—I desire to ascertain from this witness as to his operation, at any time, if this witness knows it—I think I ought to be permitted to go into that, and I think I will be able to show that this defendant was working in that direction, and was notified to quit and not to go on. I think I will be able to show that. I want to go along these lines. I think it is in line with these representations.

Mr. COTTON.—This witness says there was a piece of ground east of Old Glory that his company did not own, part of it was on the eastern line.

Mr. HART.—This witness did not do any of the work.

The COURT.—I cannot see the relevancy of it. I understand that you propose to show that the representation made by Mr. Rumble in the letter of February 18, 1902, was false. That is one of the circumstances you rely on.

Mr. McKINLEY.—That is one of the circumstances.

The COURT.—You propose to show that fact by showing that several months after, he trespassed upon some land of this witness or somebody else.

(Testimony of George W. Kimball.)

Mr. McKINLEY.—I may also be able to show, if your Honor please, that there were no workings on the east. The representation would then be shown to be false if no operations were commenced until this witness came there.

The COURT.—If that is what your purpose is to show, you can go on.

Mr. McKINLEY.—That is what I propose to show and expect to show.

The COURT.—Objection overruled.

Mr. McKINLEY.—I will show that no work was done at the place indicated until 1902.

Mr. HART.—How can he show it by this witness who was not there until September, 1902?

The COURT.—Certainly he can, if no work was done, if no shaft was sunk until September, 1902.

Mr. HART.—We do not object to that.

The COURT.—I do not propose to try any question of disputed boundary.

Mr. McKINLEY.—Q. Mr. Kimball, what time was it you saw, if you did see him, crossing over the line of your company?

A. I knew it was a fact—I think it was in the month of November, 1902. I will not be positive of that.

Mr. McKINLEY.—Q. You went there and examined the property?

(Testimony of George W. Kimball.)

A. I went up to the property and examined it in November—I think it was in November, I made a survey.

Q. That was in November, 1902?

A. Yes, sir.

Q. What did the survey show?

A. It showed there was a drift—the survey showed that the drift he was driving at the time—my recollection is now without notes, that it was 120-odd feet over the line.

Mr. McKINLEY.—Q. Is that the only drift you noticed there is an easterly direction in the mine?

A. That drift was run in a northwesterly direction.

Q. It was on the eastern boundary of the mine?

A. In the northern boundary of Old Glory.

Q. That was your property; I understand your property adjoins on the east and north?

A. Yes, sir.

Q. Now, I will ask you further, is it not a fact that all the men employed in the Old Glory mine were working in that direction?

A. I think nearly all were.

Q. There was no other work being done in any other direction, so far as you saw?

A. I think some were working westerly, a few men in the Old Glory mine; I wouldn't say positively.

Q. But not easterly?

A. Not easterly.

Mr. McKINLEY.—Q. I ask you further, Mr. Kimball, if at any time, when you visited the Old Glory Mine, you

(Testimony of George W. Kimball.)

saw any evidence of free gold in the face of the drift or breast?      A. I never did.

Q. I will ask you further, if the Old Glory properties is what is known as an ancient channel?

A. I do not consider it such.

Q. What do you consider it to be from your experience as a practical miner?      A. An old beach.

Cross-examination.

Mr. HART.—Q. Mr. Kimball, you say you had a survey made in November, 1902?

A. I made the survey.

Q. You made it personally?      A. Yes, sir.

Q. Who assisted you in making that survey?

A. One of the Company's employees, and Mr. Rumble was with me.

Q. In other words, it was a friendly survey between you to ascertain the lines?

A. The survey was really made to find the pitch of the bedrock, and at the same time to locate where his working were, to know where it was on the surface; that is for my own information, and in making the survey I found he was over the line.

Q. On the west?

A. On the north side of Old Glory.

Q. And the south of yours?

A. South of mine.

Q. Is that property known as the Perkins' claim?

(Testimony of George W. Kimball.)

A. It belonged to the Perkins & Goodall Estate Company.

Q. And there are a large number of acres in it?

A. Yes, sir.

Q. As a matter of fact, there is a large body of acres in that locality including Old Glory, that is under the lava fall?

A. Yes, sir.

Q. And that whole country has been a large deposit of gold-bearing gravel?

A. Well, there has been considerable gravel washed off that has been gold-bearing.

Q. As a matter of fact, all the gravel in that locality bears gold, does it not?

A. That I cannot answer.

Q. So far as you examined, it does?

A. No.

Q. To what extent does it not?

A. The gravel there in places is very deep. I have been unable to find any gravel above bedrock.

Q. How about bedrock?

A. All that I saw carries gold.

Q. As a matter of fact, there have been a great many rich mines in that locality?

A. That I cannot answer.

Q. Now, this pay-streak that was referred to in this letter here, as running northeasterly, would not run in this portion where this drift was, would it?

A. I do not know what pay streak is referred to in the letter.

Q. I mean in the Old Glory mine?

A. That I do not know.



(Testimony of George W. Kimball.)

Q. You spoke of a strip of ground lying east of Old Glory on the west of your property, where George lives—you know a man by the name of George?

A. Yes, sir.

Q. What piece is that? How large a piece?

A. You cannot call it a mine, for it is very few acres.

Q. As a matter of fact, did not Mr. Rumble, on behalf of the Sunset Mining Company secure that piece of ground?

A. I do not know.

Q. You do not claim it? A. No, sir.

Q. Never claimed it at all? A. No, sir.

Q. That lies east of Old Glory?

A. Part of it lies east of Old Glory.

Q. How many acres of land are there in Old Glory?

A. I think about 58 acres is what, if I am not mistaken, is what it is considered.

Q. What is a placer mining claim? It is 20 acres of land; 20 acres, I think, is considered a placer claim?

A. I believe so.

Q. How long have you been working in that locality, Mr. Kimball?

A. I went there on September 28, 1902; that is, went there to stay.

Q. Did you ever go inside the workings of Old Glory?

A. Yes, sir.

Q. When were you there last?

A. That I could not state exactly.

Q. On whose invitation did you go there?

(Testimony of George W. Kimball.)

A. I went there at the invitation of Mr. Pease and Mr. Rumble, and I went there by request. I requested the privilege and had access to go whenever I wanted to.

Q. And you and Mr. Rumble have always been friendly; there is no ill-will between you?

A. There is no ill-will.

Q. To what extent has the Old Glory mine been worked?      A. Quite extensively.

Q. About what depth of gravel has been taken out?

A. I saw places where the gravel was taken out all the way from four to ten or twelve feet, probably more than twelve feet.

Q. That is in depth?      A. Yes, sir.

Q. And what ground was covered by this excavating?

A. I could only approximate it, I never measured it; I believe it covered a piece 100 feet wide and 400 feet in length.

Q. Was the gravel taken from the bedrock?

A. The gravel was taken from the bedrock up.

Q. It went down as low as the bedrock?

A. Yes, sir.

Q. About how far is that mine from Oroville?

A. About four miles.

Q. In what direction?      A. A little west of north.

Q. Do you remember on what section the town of Oroville is located, and the township and range?

A. I think partly on 7, and 19 north, 4, east, I think.

THOMAS CLARK, called for the United States, sworn, testified as follows:

Mr. McKINLEY.—Q. You reside where?

A. Placerville.

Q. In this State? A. Yes, sir.

Q. What is your business, Mr. Clark?

A. A miner.

Q. How long have you been a miner?

A. Continuously in this State for twelve years.

Q. In other States before that? A. Somewhat.

Q. How long have you been engaged in the business of mining?

A. I have not been actively engaged up until twelve years, that is, steadily; I was off and on.

Q. Can you state whether or not you have had experience in the working of mines and the prospecting of mines and the valuation of mines?

A. I think I have proven that, yes.

Q. For a great many years? A. Yes, sir.

Q. Do you know the property known as the Old Glory mine? A. I have been there.

Q. When were you there?

A. February 7th or 8th. I think February 7, 1903.

Q. What was the occasion of your going there?

A. I had a circular sent to me by some parties who wanted to know whether in my opinion it was a good investment for them to invest in.

Q. Did you make an examination of the property?

(Testimony of Thomas Clark.)

A. I took the circular—I had it with me—and went to the property, met Mr. Rumble there, who showed me all over the property; looked at it carefully and made up my mind I could not sample it unless I had plenty of time to take out a good deal of the gravel, and either wash it or mill it, which I could not do under the circumstances. I said to Mr. Rumble then that I thought the valuation was very much more than it ought to be. He said he thought it was a little too high. I also said that the time for which the circular called, thirty years, to be the life of the mine, was in my opinion too long. Mr. Rumble told me that I could not, and no one else could, tell how long the life of a mine would last, which is probably correct. I went through the mine carefully with Mr. Rumble without sampling it at all. I did not take a sample of it because I could not. It would not have done any good.

Q. Did you see any indication or evidence of free gold in the face of the drifts or breasts there?

A. I did not see any.

Q. You did not see any at all?           A. No, sir.

Q. Where, in your opinion, was the best and most paying portion of the mine, if there was any such portion?

A. To me it looked more likely as if it might be gold-bearing on the northeast, I should say it was.

Q. Is that in the direction of the Butterfly mine?

A. I don't know where the Butterfly mine is.

Q. That is Mr. Kimball's property.

(Testimony of Thomas Clark.)

A. Yes; his was on the north and east of this.

Q. You say from your examination there, it would indicate to you that a more promising looking portion of the property was in that direction.

A. In a small piece of ground that was breasted out there, the face looked more promising than it did further back in the mine.

Q. You have stated, Mr. Clark, that you made the examination at the request of some parties who were looking for an investment. Did you make a report on the conditions as you found them?

A. Yes, sir; I made a report on the conditions just as I found them.

Mr. McKINLEY.—Q. I will ask you this before going into that matter: From what you observed of the Old Glory mine, is it what is known as an ancient channel?

A. I should not call it so.

Q. What would you call it?

A. A deposit of some sort. It is not an ancient channel, because there is not a piece of quartz in it but what is sharp—never been moved any distance.

Mr. McKINLEY.—Q. Mr. Clark, in your judgment, is a valuation of \$500,000 for the Old Glory mine a large or a small valuation?

Mr. HART.—We object to the question on the ground that it is immaterial, irrelevant and incompetent; and further on the ground that this witness has shown that

(Testimony of Thomas Clark.)

he has not tested the ground or examined it sufficiently to be able to give an opinion.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

A. I have already told you that I said to Mr. Rumble that I thought the valuation was altogether too high.

Mr. McKINLEY.—Q. What valuation were you speaking about with him?

A. A valuation of \$500,000, which was on this circular which I had with me.

Mr. HART.—He said that he considered it too high?

A. I said to Mr. Rumble that I considered his valuation was too high. Mr. Rumble said he thought it was perhaps a little too high. That is as near as I can remember the conversation.

#### Cross-examination.

Mr. HART.—Q. When did you make this examination?

A. Either February 7th or 8th, I forget which, of 1903.

Q. What was the date of this circular that you referred to in your testimony?

A. That I could not tell you. It was prior to that time.

Q. A year prior, was it not?

A. I could not tell you.

Q. Will you describe to the Court and to the jury the character and nature of the gravel that you saw there?

(Testimony of Thomas Clark.)

A. The nature of it?

Q. Yes.

A. It struck me as being a sort of sedimentary deposit. It might have been a deposit by an ocean, or in some other way, not a regular gravel channel.

Q. What you mean by a "channel" is an old, ancient creek or river.

A. An old, ancient river.

Q. A narrow channel?

A. No, sir, an ancient river, in which the wash shows. I observed there had been a heavy wash there; rocks rounded and smooth.

Q. And the same carried some little distance?

A. Yes, sir.

Q. You think from the character of this it had not been carried a great distance?

A. Nor the ground that I saw.

Q. You know something about geology.

A. I know a little bit about practically working a gravel channel.

Q. How do you account for that deposit getting there if it had not been washed there?

A. It might have been a slide there, deposited right there.

Q. Don't you know where a deposit consisting of gravel and sand is pushed by a slide that it makes it smooth?

A. Not always.

Q. How is this gravel overcapped?

(Testimony of Thomas Clark.)

A. Lava capped; that is, part of the ground is lava capped.

Q. What is the deposit of that lava flow—have you ever made any examination of it?      A. No, sir.

Q. It is very heavy.

A. I should say on the hill, which I should think was west of where Mr. Rumble was working, that there was a heavy lava flow there. How deep, I would not want to say.

Q. I will not show you this paper, and ask you to look at it and see if from that you identify the property or the location that you examined (handing).

A. Part of it; yes.

Q. I notice at the upper end of this picture here some high cliffs. Those cliffs represent the lava.

A. I believe that is lava.

Q. You found a shaft where it went down to the bedrock.

A. An incline through which Mr. Rumble took a horse and mule to take stuff out. The shaft was right here (pointing).

Q. That run to the bedrock?

A. Yes, sir; the bedrock was pitching away all the time.

Q. Towards the lava?

A. Yes, sir; pitching toward the lava.

Q. What does that indicate, by "pitching toward the lava"?



(Testimony of Thomas Clark.)

A. That if there was any channel, it was over there.

Q. Still further over?      A. Yes, sir.

Q. And that by running the drifts in the line he was running them, he would be getting toward the channel.

A. By running one drift, which I asked him why he was not running—he said he was going to do it by and by—it would have run under what he pointed out to me as the keystone.

Q. How far away?

A. It was adjoining to the ground that Mr. Rumble was working.

Q. Some distance away?

A. I could not say positively how far that level would be continued.

Q. In what direction was that drift going?

A. I should say it was west. I might be twisted up there. I found he did not own the ground, so I did not pay any attention to it.

Q. How did it look toward the northeast?

A. Running toward the other ground belonging to the old Perkins ground?

Q. Yes?

A. The best looking piece of ground I saw was running toward the Perkins ground, perhaps was in it.

Q. Tell the jury, as we are not there, what there was about the face of that drift that caused you to say that it looked better.

A. It was a softer-looking gravel, a little more moist.

(Testimony of Thomas Clark.)

The whole mine is very dry, barren-looking gravel. That does not mean to say there is no gold. That was rather softer and more kindly looking, which I felt better inclined to mine than I would the other.

Q. In other words, in your experience, you would have preferred to have worked in that sort of gravel in preference to what you saw on the west side?

A. Yes, sir; Mr. Rumble told me it was the best ground he had.

Q. What was the depth of the breasts that was being taken out?

A. I should say in that section there is somewhere from 8 to 9 feet.

Q. From the bedrock up?           A. Yes, sir.

Q. About what amount had been mined out in width and length?

A. That I could not answer, and for this reason: that the mine was worked in such a way that we would call it spotted. There would be a drift run here, and a little piece run there, and then another drift.

The COURT.—Just approximate it?

A. You mean the whole length of the drift?

Mr. HART.—Q. I want the amount of the gravel that had been taken out as near as you can tell us?

A. I would not dare to give you an approximation.

Q. Why not?

A. I did not take and measure the space that the

(Testimony of Thomas Clark.)

gravel was taken out of. I could not tell you. I would not dare to say so. A great deal of gravel has been taken out of there.

Q. What you mean is that you would not want to specify?

A. I do not want to swear to anything that I am not actually certain about.

Q. As a fact, Mr. Clark, you did not test any of the gravel?      A. I did not.

Q. And you went there for the purpose of making an investigation on behalf of anticipated purchasers?

A. Purchasers of stock.

Q. Clients of yours in Europe?

A. I do not propose to say who the people were, unless I am forced to.

Q. I did not ask you to. Some people a distance away from here?      A. They were a distance away.

Q. You did not have time to make such an examination as you wanted to?

A. I did not make any for this reason: I found that Mr. Rumble misrepresented to me the title he held in the ground, and I thought it was better to tell the people to let it alone.

Q. What was the trouble with the title?

A. He took me over the surface and told me what ground he owned.

Q. How many acres?

A. He showed me the space, just what he owned; in

(Testimony of Thomas Clark.)

other words, he owned the "Keystone" mine. I found out before going there just what stood in the name of the Sunset Mining Company.

Q. How many acres did you so find?

A. Fifty something.

Q. Fifty-eight?           A. Fifty something.

Q. At that point?

A. It is not the acreage; it is the ground, the individual corners which Mr. Rumble showed as being the corners of the "Old Glory" mine.

Q. It did not cover such property as you found?

A. It covered more property than stood in the name of the Sunset Mining Company.

Q. Did you measure the length of it?

A. No, sir.

Q. Or the width of it?

A. I did not measure anything about it.

Q. How many acres would those corners have included that he showed you?

A. It would have included this "Keystone" in its entirety.

Q. Where was the "Keystone" mine located?

A. I should say it was located on the west or northwest of the "Old Glory." I am twisted as to the direction. I have been to the land office and found out. I found that Mr. Rumble owned a ninth interest in this property.

Q. In the "Keystone"?           A. Yes, sir.

Q. How large was the Keystone property?

(Testimony of Thomas Clark.)

A. I do not think it was a full mining claim, but I would not be positive.

Q. How long did you spend on this property?

A. One day, or nearly so.

Q. This picture I handed you you think gives a correct view?

A. I had this same picture sent to me with this circular.

Q. You think this is about it?           A. I do.

Q. When you say you consider the estimate made by Mr. Rumble in the circular was excessive, you simply made that statement on account of the amount of it, and also on account of the size of the property, and did so without making such an examination that you could fully determine?

A. I simply made it on account of the size of the property, and the amount of ground that had already been taken out.

Q. Without reference to the richness of it?

A. Yes, sir; without reference to the richness of it.

Q. You had not examined it to that extent?

A. I did not examine a pan full. I could not.

Q. It might have been that amount or more, and that you could not tell without an examination, could you?           A. I could not put a value on it; no.

Q. You say you examined this in February, 1903?

A. Yes, sir; February 7th or 8th; I forget the exact date.

(Testimony of Thomas Clark.)

Redirect Examination.

Mr. McKINLEY.—Q. You say that in February, 1903, when you made this examination, you found that Mr. Rumble did not own but a ninth interest in certain of the property that you described, that is, in the “Keystone”? A. Yes, sir.

Mr. HART.—Q. That “Keystone” property is outside of the “Old Glory”? A. Yes, sir.

Mr. McKINLEY.—Q. You found then, in that property, that a one-ninth interest was in the name of Rumble?

A. Yes, sir. I got an abstract of the property standing in the name of the Sunset Mining Company, and also what property was standing in Mr. Rumble’s name. I wanted to be fair to Mr. Rumble and fair to the people who sent me there.

Q. By reason of that examination of the title and the mines, you did as you have stated?

A. I simply told them I did not think it was a good investment and they had better leave it alone.

Further Cross-examination.

Mr. HART.—Q. Do you know what was being asked for the stock?

A. No, sir—yes, I do. Mr. Rumble told me. Mr. Rumble told me he had offered stock to some people who had been interested in another company called, I think, the “Maple,” and that he had offered to have them re-

(Testimony of Thomas Clark.)

turn the "Maple" stock and take "Sunset" stock, I think, at 50¢ a share.

Q. These clients that you were examining for, what were they to pay for the stock?

A. I think they were to return this "Maple" stock and pay 50¢ in addition.

Q. For an equal share in the "Sunset"?

A. For an equal share in the "Sunset."

Q. It was an exchange of stock?

A. It was an exchange of stock, with a certain bonus of money.

F. C. ELDRED, called for the United States, sworn, testified as follows:

Mr. McKINLEY.—Q. Where do you reside?

A. Toledo, Ohio.

Q. What is your business?           A. Broker.

Q. How long have you been engaged in that business in Toledo, Ohio?

A. In Toledo, Ohio, a little over a year.

Q. How long have you been engaged in that business altogether?

A. About four years, that is, in the same general line of business. I have not had an office for four years.

Q. Did you ever have any business with George W. Rumble, the defendant?           A. Yes, sir.

Q. With reference to the sales or handling of Sunset Mining Company's stock?           A. Yes, sir.

Q. State to me in the aggregate the amount of stock

(Testimony of F. C. Eldred.)

of the Sunset Mining Company that you sold as broker for him?

A. Directly and indirectly, I am responsible for the sale, I should say, of 40,000 to 50,000 shares—possibly not more than 30,000. I have not the record intact.

Q. Your best judgment is it is between 40,000 and 50,000?

Mr. McKINLEY.—Q. What was the average price for which you sold that stock?

A. Not having the records intact, I can only estimate that. I should say \$1.60.

Q. At the average rate of \$1.60 per share.

A. The average selling price.

Q. When did you begin to do business in the way of selling stock for Mr. Rumble?

A. Something over two years ago.

Q. Did you have a correspondence and communication with him concerning the sale of stocks?

A. Yes, sir.

Q. Over the mail?           A. Yes, sir.

Q. And was it or not through the medium of that correspondence or communication that you began the sales of stock?           A. It was.

Mr. McKINLEY.—Q. Now, Mr. Eldred, when did you first meet Mr. Rumble, the defendant?

A. I first met Mr. Rumble in the latter part of August, last year.

Q. You came out here to California and met him?

A. Yes, sir.



(Testimony of F. C. Eldred.)

Q. Did you at that time make any investigations as to the representations contained in communications sent to you from him as to the nature and values, etc., of the properties alleged to have been owned by the Sunset Mining Company?      A. I did.

Mr. McKINLEY.—Q. I will ask you what investigations were made, and what the result of these investigations was?

A. I investigated the title to that property, and investigated the properties to as great an extent as I found possible.

Q. I show you this pamphlet or circular prospectus entitled "Sunset, F. C. Eldred & Company," etc.—you are a member of the firm of F. C. Eldred & Company?

A. Yes, sir.

Q. I will ask you if your firm got out that circular as a result, and by reason of communications and representations which were made to you by the defendant?

A. Entirely so.

Mr. McKINLEY.—What representations, if any, concerning the property, its value, its titles, etc., did the defendant, Mr. Rumble, make to you?

The COURT.—Q. And state whether it was in writing or verbally?

A. All representations upon which this pamphlet is based were made entirely in writing, either in the form of letters or circulars over Mr. Rumble's signature, and received by me in the ordinary course of business.

(Testimony of F. C. Eldred.)

Q. You have examined this document, Mr. Eldred? I will ask you to state whether or not those portions which appear over these stereotyped signatures of G. W. Rumble are or are not exact copies of letters received from him by you through the medium of the United States mail?

Mr. HART.—I object to the question as irrelevant, immaterial and incompetent, and calling for the conclusion of the witness as to whether they are copies or not, and the witness is not exhausted as to what has become of the originals.

The COURT.—These copies will never be introduced in evidence until it is shown that the originals are not in existence. There are several branches to this case. In regard to the representations made by the defendant, you have got an overwhelming amount of proof to show that certain representations were made. The real gist of the case is proof that the representations were fraudulent. That is the real gist of it.

Mr. McKINLEY.—Q. What is your answer to that question?

A. These statements are exact copies.

Q. Where are the original letters from which these were copied. Have you those originals?

A. To explain why I have not the originals, I shall have to explain in my own words. The first business that I did for Mr. Rumble, or upon the Sunset stock was done through the firm of Eldred & Chadwick, an old

(Testimony of F. C. Eldred.)

organization in Hillsdale, Michigan. That firm dissolved a year ago last October, and the original papers upon which these pamphlets are based are in the safe of Mr. Chadwick at Hillsdale, and my former partner is now in Cuba, and before coming here I could not get the papers.

Q. Did you ever send this pamphlet which I hold in my hand through the United States mail to Mr. Rumble with any request for his endorsement of the statements contained therein?

A. On my return to Toledo after visiting the property last fall, I forwarded that pamphlet to Mr. Rumble with a request for his signature endorsing the whole pamphlet.

Q. Did you receive this pamphlet back with a signature on it in due course of mail?           A. I did.

Q. Look at the last page of the pamphlet and state whether that signature was the one you found on it when it was returned to you (handing).           A. It is.

Q. The signature "G. W. Rumble"?

A. Yes, sir.

Q. Is this the envelope from which it came from Mr. Rumble (pointing)?

A. I believe it is. It is the envelope I addressed myself and enclosed. A stamped envelope.

Q. Is that your handwriting?

A. That is my handwriting.

Mr. HART.—Q. When did you say you received this pamphlet?

(Testimony of F. C. Eldred.)

A. To the best of my knowledge, I believe that was received on the 26th day of September—last fall.

Q. 1903?           A. 1903.

Mr. HART.—We object to the introduction of this pamphlet first on the ground that it is irrelevant, immaterial and incompetent, and on the ground that according to the statement of the witness he received it from the defendant on the 26th day of September, 1903, and after every sale of stock that has been proven or made, or attempted to be proven or made, had been made. Again, on the further ground that it is not referred to or alleged in the indictment, and on the further ground that we submit the nonproduction of the originals has not been sufficiently accounted for, and has not been sufficiently excused.

The COURT.—Certain portions of this will be admitted—all that portion over the signature of George W. Rumble. Then there are some notes prepared by the Eldred Company which will not be admitted. Simply those portions that purport to be copies from George W. Rumble will be admitted. I understood the witness to testify that certain documents over the signature of George W. Rumble were copies of letters sent to him. Those will be admitted. Any writings of the Eldred Company will not be admitted.

The COURT (To the Witness.)—Take a pen and mark that portion which is an exact copy of any letter that

(Testimony of F. C. Eldred.)

you received, and then, Mr. McKinley, read it to the jury.

Mr. HART.—Now, if your Honor please.—

The COURT.—I do not care about hearing anything about it. Take your exception and let it be read.

Mr. McKINLEY.—I will read this to you, gentlemen.

United States Exhibit No. 50.

STATEMENT.

To the Stockholders of the “Sunset Mining Company.”

At a special meeting of the Board of Directors an extra dividend of 2½% was declared, payable with the regular 2½% monthly dividend, due March 1st.

It was also decided to increase the price of the stock to \$2.00 per share, to take effect March 1st.

“Old Glory’s” Clean Ups.....	\$62,784.50
“Old Glory’s” Expenses.....	\$14,400.45
Dividends.....	22,812.56
	<hr/>
Total .....	\$37,213.01—\$37,213.01
	<hr/>
Surplus.....	\$25,571.49

“Old Glory” is a drift gravel gold mine, consisting of five mines combined.

We are working it on a ten-hour per day basis (no Sunday work), sixty hours per week.

We consider it good for thirty years.

(Testimony of F. C. Eldred.)

The proceeds from sales of Treasury stock, together with surplus from "Old Glory," are used to acquire and equip other properties; the policy of this company being to do a general gold mining business, keeping several paying mines constantly on the tapis.

Monthly dividend No. 108 (nine years) was paid February 1st.

We expect to pay the regular 2% monthly dividend forever, and will pay extra dividends as occasion warrants.

When we have completed equipment on other large, valuable gold mines, dividends will be materially increased, and the stock worth \$10 per share.

Value of "Old Glory" .....	\$500,000	
Value of other properties .....	500,000	
		—————
		\$1,000,000
Stock issued bearing dividends .....	\$101,750	
Indebtedness, none .. .. .	000,000	
		—————
		\$101,750 101,750
		—————
Resources over liabilities....	\$898,250	

G. W. RUMBLE,  
Secretary.

(Testimony of F. C. Eldred.)

Mr. McKINLEY.—(Reading:)

SUNSET MINING COMPANY MINES.

The "Old Glory" Group.

The "Old Glory" which is five mines in one, is located 150 miles from San Francisco, four miles from Oroville, and on the opposite side of the Feather River from the "Amo" group. It is a blue gravel drift mine. The gravel is found under quite a high mountain and is reached by means of a shaft 190 feet deep. From the bottom of this shaft, we tunnel or drift under the mountain into an ancient river channel, which has at some time been filled with this blue colored gravel, containing the gold. This gravel is blasted, picked loose and hoisted to the surface, after which it is washed in the sluice-boxes and the gold obtained.

This blue gravel ancient river channel, which extends through several counties in California, is noted for its richness, having made fortunes for several companies and individuals who were fortunate enough to get a slice of it.

This group contains about 100 acres. The gold is largely nugget in form. Reports from the weekly clean-ups show a weekly production of from \$200 to \$5,000 each. For the week ending March 30, 1902, it gave a "clean-up" of \$5,517.60 with a working expense of only \$240.00, leaving a net profit of \$5,277.60 for the week.

(Testimony of F. C. Eldred.)

### THE "AMO" GROUP.

LOCATION.—This group of mines is situated in Butte County, California, three miles East of Oroville, on the Cherokee Ravine, and one mile from the Feather River, a distance of 153 miles from San Francisco. They are reached by rail to Oroville, 150 miles, thence over a good road, by private conveyance, to the mines. Altitude, 250 feet, and directly in the citrus belt of California, where it never snows or freezes in the winter beyond a white frost, hence can be worked the entire year under the most advantageous conditions. Population of Oroville is 2,000.

AREA AND TITLE.—The property consists of 220 acres of mineral lands, to which the title is perfect; 140 acres of which is patented land direct from the U. S. Government and 80 is held by virtue of location, and a quiet, undisturbed possession for six years under the mining laws of the United States.

There are on the property all necessary buildings, in good condition, which are used and known as the "Amo" Mining camp. They consist of a cook-house and dining-room, a bunk-house and office, a blacksmith-shop, stable with sheds for the wagons and lumber and commodious wood-house, and other necessary outhouses; also a small, but sufficiently large, isolated powder-house.



(Testimony of F. C. Eldred.)

## CHARACTER AND EXTENT OF AURIFEROUS DEPOSITS.

The property in part includes an ancient river channel, of one hundred acres, all of which is gold bearing. The character of the deposits in general, varies in value from 25 cents to \$2.00 per cubic yard. From the hydraulic work done during the past three years and the numerous test holes made over the entire 100 acres, we place the average value at more than 25 cents per cubic yard. The majority of the shafts which have been sunk to bedrock are from 130 ft. to 150 ft. deep. There is, however, one portion of the auriferous gravel consisting of about forty acres, on which is a considerable hill where the gravel runs from 225 feet to 250 feet deep. The company estimates the average depth of the entire auriferous gravel deposits, all of which are in the ancient river channel, at 100 feet and this gives a total of 16,133,300 cubic yards, valued at 25 cents per yard; amounting to \$4,033,325.00.

This property faces on the Feather River and extends up the Cherokee Ravine about one mile, into which the tailings are dumped. The present hydraulic operations are located in a gully which empties into the Cherokee Ravine at the upper end on the Company's properties. The location of the Giant at the upper end of the sluice-boxes is about a third of a mile up this gully, through the sluice-boxes, extending nearly the entire length.

The water used for hydraulicking is taken from one

(Testimony of F. C. Eldred.)

of the branch ditches of the Palermo Land and Water Company, which crosses the Company's property and is conducted to the Giant by a pipe 18 inches in diameter at the upper and twelve inches at the lower end, a distance of about 600 feet, where a fall of 110 feet is obtained.

The gravel in the old river channel consists mostly of fine materials, with the stones well water-washed and rounded, none of which are so large that they cannot be lifted by one man, consequently are readily carried through the sluice-boxes by the force of the water. There are no large boulders found in any of the test holes that have been sunk on the property. This is a feature which is very advantageous to hydraulicking and successful working of the mines, because all the gravel can be readily washed into the sluice-boxes and carried through to the dump without the aid of being blasted and moved by means of derricks, as is frequently done in hydraulic mines. About 600 feet of this sluice-box extends through a cut of solid rock, part of which is 29 feet deep, and is known in the mining parlance as the "rim rock" of the ancient river channel. This ancient river channel has been known to exist there since the early '50's, and was probably the feeder of the extremely rich pan and rocker diggings which were found in Cherokee Ravine, where it is reported there were at one time, 1000 men encamped, washing out the gold, the product of which is estimated to have been over \$1,000,000.00.

(Testimony of F. C. Eldred.)

This ancient channel is readily traced through the connecting lands to the river front of Feather River, on the company's properties, where there was a large hydraulic mine opened and operated during the early days of California, which was so profitable that the company brought its water through ditches and flumes a distance of about forty miles, and paid for labor at the rate of \$10.00 per day. This old hydraulic mine consists of about twenty acres of auriferous gravel which is from 60 to 70 feet deep, and will average in value 25 cents to 40 cents per cubic yard. It was successfully operated until the passing of the "Debris Law" in California, some years ago, when the company was compelled to stop work because the tailings were dumped directly into the Feather River. As this mine is on a bench which has a rock bottom and is about forty feet above the water of Feather River, here is an excellent opportunity to install a modern electric gold mining dredge, of which there are now eleven within a radius of six miles of Oroville. These dredges cost about \$60,000.00 to \$150,000.00 each.

#### AN OPTION.

We have an option of purchasing 480 acres of adjoining property at \$15.00 per acre, of which 150 acres is auriferous gravel of the same ancient river channel we are now working. We can purchase the property when we want it at this extremely low price, because we have the key to the whole situation in owning

(Testimony of F. C. Eldred.)

Cherokee Ravine, the dumping ground, and the debris impounding dam, with the U. S. franchise to pursue hydraulicking.

#### SPECIAL U. S. FRANCHISE GRANTED THE SUNSET MINING COMPANY.

Some fourteen years ago a law was passed in California stopping all hydraulic mining, which caused the gold output of the State to fall from about \$60,000,000,00, annually to \$12,000,000.00; and entailed a heavy loss to the hydraulic miners. The reason of this was because the tailings went into the rivers and impeded navigation; also causing them to fill up and overflow agricultural lands. Nine years later, a U. S. Commission was appointed to grant special license to hydraulic miners in this state when they complied with certain conditions. These conditions having been complied with we were given a franchise.

This is valuable because it enables us to prosecute hydraulic mining in our present location to almost any extent, and as this form of mining is by far the most economical and profitable method, the value of these properties and their earning powers are consequently greatly enhanced.

#### “AMO” QUARTZ VEIN PROPOSITION.

About one-half the way down Cherokee Ravine, one of the Company's properties, there is a quartz ledge containing gold, on which there are several old pros-

(Testimony of F. C. Eldred.)

pect holes, one being about 30 feet deep, with quartz from surface assaying \$3.00 to \$18.00 per ton, and a quartz vein always grows richer as depth is gained. Also a true fissure vein has never been known to "pinch out" or "run out." This quartz ledge, which comes to the surface at this point, and then sinks again as it crosses the Company's property, runs northeast and southwest, and is in direct line with the Banner mine, which is about two miles across the Feather River. It is presumed to be the same vein that the Banner mine is operating. This mine was first opened in 1858, and has been operating almost continuously from then until the present time. It is now operating with a complete mill of forty stamps, and all its attendants' paraphernalia, such as hoisting works, concentrators, rock drills, machine shops, etc. About ten years ago this mine was sold to an English company, for \$750,000.00.

We promise to install a small electric hoisting works on the "Amo" quartz vein and determine its value.

#### THE "AMO" GOLD DREDGING PROPOSITION.

The value of the gravel on which we intend to install a modern electric gold mining dredge, to be operated from a movable track, is about \$1,590,000.00. The expense of installing the dredge will be about \$75,000.00. As this dredge could handle an average of 1,500 cubic yards daily, which valued at 25 cents per cubic yard, would yield \$375.00 per day.

(Testimony of F. C. Eldred.)

Dredge operating expenses per day, at \$50.00	
net profit. . . . .	\$ 325.00
Dredge operating expenses per month, at	
\$1,500.00 net profit. . . . .	9,750.00

There are eleven of these modern mining dredges at work and four more in the course of construction, within six miles of Oroville, two of which will cost \$125,000.00 each. We have an interest in two of the dredges now operating in this district, and have, therefore, sufficient data of the most conclusive kind upon which to base our estimates of their earning capacity and to determine exactly what we can accomplish.

G. W. RUMBLE,  
Secretary.

#### “ORANGE” QUARTZ GROUP.

When the Sunset Company succeeded the Little Orange Mining Company in March, 1900, it took all the Orange mines that are located in the Northern portion of California, consisting of four quartz properties that have been tested and are known to be good, but are not as yet equipped. Two of them were operated for seven or eight years by the Little Orange Company as shipping mines; that is, the ore was taken out by means of a small hoisting equipment, after which it was sorted and the valuable portion of it hauled to the railroad and sold at a profit that enabled the payment of dividends for about six years to its stockholders.

(Testimony of F. C. Eldred.)

These Orange properties are all good and shall be fully equipped with hoisting works and mills as soon as the Company has the money to do so. They can be made to yield a monthly profit of \$10,000.00 to \$50,000.00 each.

EXTRACT FROM THE BY-LAWS AND MINUTES  
OF THE SUNSET MINING COMPANY.

San Francisco, Cal., April 23, 1900.

Resolved: That this Company purchase the four mines of the Orange Mining Company of Illinois, known as Orange No. 3 and No. 4 in Siskiyou County, Cal., and issue 150,000 shares of fully paid stock in full payment for the same, with the proviso that this stock does not rank for dividends until 50 per cent per annum can be paid from the earnings of the mines of the Sunset Mining Company on all the stock, which may have been sold for cash, together with this 150,000 shares."—with the stereotype signature.

G. W. RUMBLE,  
Secretary.

And the printed signature "K. E. Allington, President."

Then it goes on:

When the Sunset Company was organized in March, 1900, as the successor to the Orange Mining Company, which was incorporated in 1899, the foregoing resolution was adopted.

(Testimony of F. C. Eldred.)

As this 150,000 shares is mostly held by the present officers and manager of the Sunset Mining Company, it will be seen that they are desirous of pushing the affairs of the Sunset Mining Company ahead of a large and successful issue, by the equipment of large and valuable mines, to such a point that these increased dividends can be paid as soon as possible, which I, as general manager and secretary of the Company, believe can be brought about within the next year, providing we can have the funds to do so, but until that time comes, all stock sold for cash will receive dividends of not less than 2 per cent per month.

G. W. RUMBLE,

Secretary.

Q. At this point I shall have to ask you again this: that portion is your own? (Pointing.)

A. This section entitled "The Investment" is my own. "These are copies of letters received from other parties, and there is nothing else over his signature, except the signature on the last page as a general endorsement.

Q. These opinions expressed, were those copies of communications that were sent to you by Mr. Rumble through the mail?

A. The first one, a letter from the County Clerk's office, Butte County, California, is a copy which came to me through the mail, sent by Mr. Rumble. The second one, a letter addressed to Mr. G. W. Rumble, Secretary Sunset Mining Company, San Francisco, Cali-



(Testimony of F. C. Eldred.)

fornia, and signed by C. J. Haile, Rancher, is a copy sent to me. The third, a letter signed by G. W. Finch of Toledo, I believe came direct. I may have received a copy, but I am not certain as to this being it. The next one is signed "C. E. Perkins." These other letters are letters received from stockholders of the Sunset Company.

Q. That is, by yourself directly?

A. That is, by myself directly.

Mr. McKINLEY.—I will simply read, then, those that the witness has mentioned as coming straight from Mr. Rumble by mail.

(Reading:)

County Clerk's Office, Butte County, Cal.

Oroville, Cal., Dec. 3, 1900.

Mr. G. W. Rumble, Secretary Sunset Mining Co., San Francisco, Cal.

Dear Sir: Replying to inquiries will say that I am familiar with the "Amo" group of mines near this place, which are working night and day; I consider them valuable properties.

J. C. BOYLE,

Supervisor Butte County, Cal.

Mr. G. W. Rumble, Secretary Sunset Mining Company, San Francisco, Cal.

Dear Sir: Replying to inquiries I will say that I was a stockholder in the original Orange Mining Company,

(Testimony of F. C. Eldred.)

the predecessors of the Sunset Mining Company, and have received over seven years' dividends; that I received the 85th monthly dividend March 1, 1901; also that I recently doubled my holdings in the Sunset Company. I value my Sunset holdings beyond any investment I have as I know the properties are valuable, and the management capable and conservative.

C. J. HAILE,  
Rancher.

Vacaville, Cal., March 2, 1901.

(The pamphlet is marked "United States Exhibit No. 50.")

Mr. HART.—What was the firm you referred to yesterday, where you said those letters were?

A. Eldred and Chadwick of Hillsdale, Michigan. The only two firms who were connected with this are Eldred & Chadwick of Hillsdale, Michigan, and F. C. Eldred & Co. of Toledo.

Mr. HART.—Which one of those firms had the letters that you say were copied in the circular read in evidence yesterday?

A. I believe all the letters that were read in evidence were copied from letters received by the firm of Eldred & Chadwick.

Q. That was the firm located where?

A. Hillsdale, Michigan. I am not certain on that point. There is a statement or two in there that came direct to me.

(Testimony of F. C. Eldred.)

Q. Who had possession of the letters at the last you knew of?

A. There is a statement in the pamphlet that came to me direct, and perhaps some other matters. Most of the letters that were read are in possession of Mr. Chadwick at the present time.

Q. And he is where?           A. In Cuba.

Q. You were unable to get any portion of them?

A. I have absolutely no connection with Mr. Chadwick. He being away, I could not get the letters from the office.

Q. Did you try to get them?           A. I did not.

Q. How do you know you could not get them?

A. Because I tried to get some papers of my own.

Q. You could not get them?           A. No, sir.

Q. Is there any one in charge of Mr. Chadwick's office?           A. Yes, sir.

Q. How many shares did you sell directly?

A. Directly and indirectly, I was instrumental in the sale of from 30,000 to 50,000 shares.

Q. What do you mean by "directly" and "indirectly"?

A. I did not necessarily sell it all personally.

Q. The sales that you managed and had others selling for you, amounted to 50,000 shares?

A. Perhaps 50,000. I am not certain.

Q. Why do you make such a wide difference between 30,000 and 50,000?

A. Two reasons. In the first place I have not the record at hand. In the next place, Mr. Chadwick has

(Testimony of F. C. Eldred.)

continued to sell Sunset stock, and sold a good many shares. I don't know how much. I was instrumental in getting that stock sold.

Q. Does the 50,000 shares include what Mr. Chadwick sold?

A. It includes all that the firm of Eldred & Chadwick sold. I should say that a good many Mr. Chadwick sold were made to customers to whom I sold first.

Q. When did you commence selling stock?

A. About two years ago.

Q. When did you quit?

A. The last sales were made just before my trip to California last Fall in August, 1903.

Q. How many shares did you sell in August?

A. I don't know.

Q. What was the average price of all the shares that you sold?      A. I should say about \$1.50.

Q. What was the cheapest shares sold?

A. The lowest price I ever sold any for was one block of 500 shares for \$580, when the stock cost me \$500. The 500 shares cost me \$1 per share.

Q. You sold it for \$580?

A. I sold the 500 shares for \$580.

Q. Eighty dollars more than you paid for it?

A. Yes, sir.

Q. What was the amount that you paid to Rumble or the Sunset Mining Company for that stock?

A. One dollar per share.

(Testimony of F. C. Eldred.)

Q. You came out and visited the mine?

A. Yes, sir.

Q. How long did you remain there?

A. I was at the mine from Friday until I think Sunday night.

Q. Was there any clean-up while you were there?

A. There was.

Q. What was the result?

A. There was taken from the sluice-boxes—I do not remember the exact figure—about \$1200 in gold.

Q. What size was the gold, small or large?

A. Coarse gold, nugget form.

Q. Are you able to state how much of that \$50,000 was transmitted to the company here?

A. If I sold 50,000 shares of the stock, there was one dollar for every share sold transmitted.

Q. Will you swear positively that you sold more than 35,000 either directly or indirectly?

A. I have not the records at hand, and I will make no positive statement.

#### Redirect Examination.

Mr. McKINLEY.—You spoke about a clean-up that you witnessed there. You do not know where those nuggets and so forth came from, do you?

A. I said they came from the sluice-boxes.

Q. Outside of seeing them in the sluice boxes you do not know where they came from—whether they came from the mine or not?

(Testimony of F. C. Eldred.)

A. I have absolutely no means of knowing that.

Mr. HART.—Q. Did you see dirt taken out of the mine and dumped into the sluice-boxes?

A. Yes, sir, dumped on the dump.

Q. Constantly, while you were there?

A. Yes, sir.

Mr. McKINLEY.—Q. You went into the mine while you were there? A. I did.

Q. Did you see any coarse gold in the mine?

A. No, sir.

GEORGE H. FULLER, called for the United States, sworn, testified as follows:

Mr. McKINLEY.—Q. Where do you reside?

A. San Francisco.

Q. Your business is what?

A. Office furniture.

Q. You are connected with the Geo. H. Fuller Furniture Co. You are the head of that concern?

A. Geo. H. Fuller Desk Co.

Q. And have been such for many years, have you not? A. Yes, sir, since its incorporation.

Q. Are you acquainted with the property known as the "Amo" mine? A. Yes, sir.

Q. In what county is that property?

A. In Butte County.

(Testimony of George H. Fuller.)

Q. Have you been connected with the Amo Mining Company, or do you own that mine. Does your company own that mine?      A. Yes, sir.

Q. How long has the Amo Mining Company owned the Amo mine?      A. I think since 1898.

Mr. McKINLEY.—Do you know the defendant George W. Rumble?      A. I do.

Q. Did you ever have any transactions with him with reference to the Amo Mining Company?      A. I did.

Q. Now, Mr. Fuller, will you state in your own way exactly what transactions you had with the defendant Rumble as to this Amo mine, which you say your company owned?

A. Mr. Rumble came to my office to my recollection; whether it was in response to a letter that I had written him or not, I am not positive now. He came to my office and talked about the mine. Said he was in search of properties of that character; and the result was, I bonded the mine to him for a term of years.

Q. Can you fix the date of this conversation and this bonding approximately?

A. I think it was in 1900.

Q. Now, this bond that you speak of was to him personally?      A. Yes, sir.

Q. You never bonded that property, or sold it, or had any transactions with reference to it, with the Sunset Mining Company, did you?      A. I did not.

(Testimony of George H. Fuller.)

Q. You never parted with any property in that mine at all?      A. No, sir.

Q. Now, I show you this bond or agreement, which appears to have been dated the 9th of April, 1900, duly certified and duly acknowledged and signed, and ask you whether or not that is the instrument which represents the transaction which you had with Mr. Rumble regarding the Amo property (handing)?

A. Yes, sir, it is.

Mr. McKINLEY.—In the left-hand corner there is a revenue stamp. (Reading:)

#### United States Exhibit No. 51.

This agreement, made in duplicate, this 9th day of April, 1900, by and between the "Amo Mining Company" (a corporation duly organized and existing under the laws of the State of California and having its principal place of business at the City and County of San Francisco, State of California, the party of the first part, and G. W. Rumble, of the City and County and State afore-said, the party of the second part,

Witnesseth: The said first party in consideration of the covenants hereinafter contained on the part of the second party, hereby covenants and agrees that, upon the full performance and fulfillment of the covenants hereinafter agreed to be done and performed by the second party, the said first party will make, execute and deliver to the said second party, his heirs, executors, adminis-



(Testimony of George H. Fuller.)

trators or assigns, a deed or deeds of grant, bargain and sale to the following described premises:

All those certain lots, pieces or parcels of land situate, lying and being in the County of Butte, State of California, and bounded and particularly described as the South  $\frac{1}{2}$  of the Northeast quarter of the Northwest quarter of section Ten, Tp. Nineteen North, Range 4 East, M. D. M., containing 20 acres, together with all and singular the tenements and appurtenances thereto belonging or in any wise appertaining.

And the Southwest corner of the Northeast quarter of Section Three (3) Township Nineteen (19) North, Range Four East M. D. M., containing 40 acres, together with all and singular the tenements and appurtenances thereunto pertaining or in anywise appertaining.

And the said first party further agrees to make, executed and delivered unto the second party, his heirs, executors, administrators or assigns, a quitclaim deed or deeds to the following described premises:

All that certain lot, piece or parcel of land situate, lying and being in the County of Butte, State of California, and bounded and particularly described as the West half of the Southeast quarter of Section 3, Township Nineteen (19) North, Range Four (4) East M. D. M., containing eighty (80) acres; all of which above described property comprising those certain Placer Mining claims known as the Amo mine.

And the said first party further agrees to transfer, convey and assign unto the second party, his heirs,

(Testimony of George H. Fuller.)

executors, administrators or assigns, all and singular its contracts, licenses, right of way, goods and chattels of any and every nature belonging or in any wise appertaining to the possession, management or operation of the above-described mining premises.

And it is further agreed on the part of the first party that the second party shall have immediate possession of the above described premises, and of every part thereof, for the uses and purposes set forth in this agreement.

And the first party further agrees that the second party shall have until the first day of April, 1905, within which to fulfill the covenants hereinafter contained, and agreed to be performed on the part of the second party, subject, however, to the provisions and conditions of this agreement.

And the said party of the second part in consideration of the covenants on the part of the first party hereinbefore contained, agrees, with the first party, that he will, within 30 days from the date hereof commence mining operations upon the above described premises; that such mining operations shall consist of deepening the open cut now existing from the head of the flume to the rim-rock for a distance of about 500 or 600 feet, rearranging the inside of the flume and sluice-boxes, if considered necessary, moving giant, fixing pipes and supplying such tools and appliances as are necessary to vigorously prosecute the work; but said mining operations shall not include the running of a tunnel or cut to

(Testimony of George H. Fuller.)

tap the mine at a lower level than the level reached by the present position of the flume; that said operations shall be carried on by the second party continuously from the time of commencement thereof, except for an insufficient supply of water to conduct the same (less than 250 miner's inches shall be deemed an insufficient supply); that he will at all times in the conduct of said work, whenever 250 inches of water can be obtained, use all the water available for mining purposes up to 400 miner's inches for each 24 hours; that the Superintendent, manager or other person having control or direction of said work, shall receive a salary of not more than \$150.00, and that the price paid for any and all supplies and material, uses and labor employed upon said work shall not be in excess of the current market rate for such supplies, material or labor; and that in the conduct of all operations under and by virtue of this agreement, and in all matters appertaining thereto, or connected therewith, he will exercise due diligence and economy.

Said second party further agrees that he will, invest, exclusive of the products of the mine, in labor and improvements, in and upon said premises not less than two thousand dollars, provided, however, that if said mine is placed upon a paying basis, before said two thousand dollars has been expended as aforesaid, then no further expenditures need be made.

Said second party further covenants and agrees that, after he shall have reimbursed himself out of the proceeds of said mine to the full extent of all actual invest-

(Testimony of George H. Fuller.)

ment made by him in pursuance of this agreement, he will pay unto the first party, at the office of Geo. H. Fuller, No. 638 Mission St., San Francisco, within ten days after each and every clean-up, all the net proceeds derived from said mine, until the sum of Seven Thousand Dollars (\$7,000.00) in United States Gold coin has been so paid to the first party.

Said second party further agrees to promptly pay, from month to month, all indebtedness incurred by him of any and every nature in the conduct of said mining operations, and that he will furnish unto the first party an itemized monthly statement showing the actual amounts paid for the necessary expenditures to equip, open and conduct the mine, and the receipts realized from the sales of the gold taken from said mine; and that the first party shall be permitted at all reasonable times to inspect all the vouchers pertaining to the expenditures and receipts aforesaid.

Said second party further covenants and agrees that he shall and will hold the first party harmless from all damages of every nature whatsoever which may be suffered by any person or persons whomsoever, by reason of any act or acts done or omitted to be done or performed by the second party, or by any person or persons employed by him, in and about the conduct or management of said mining property.

And it is understood and agreed by and between the parties hereto, that in the event that the said second

(Testimony of George H. Fuller.)

party shall at any time discontinue actual hydraulic mining upon said property for a period exceeding 60 days, except as hereinbefore provided, or shall create or permit, any lien or liens or other encumbrances to attach to said property, or any part thereof, or shall violate any of the covenants herein contained, he shall forfeit all rights under and by virtue of this agreement; and that in the event of the forfeiture, surrender or abandonment by the second party of his rights under this agreement or upon the failure of the second party, to pay unto the first party the full sum of Seven Thousand Dollars, as herein provided, within the period of time herein specified, the first party shall have immediate right to re-enter upon said premises and to possess the whole and every part thereof; and all labor done, improvements made and all tools and implements of every kind and character whatsoever used or furnished for use upon said premises by the second party, together with all improvements now existing upon said premises, less the reasonable wear and damage by the elements, shall be surrendered by the said second party and shall be the property of the first party, free and clear of all claim of right, title or interest thereunto on the part of the second party.

It is mutually covenanted and agreed by and between the parties hereto, that the second party may at any time after the expenditure by him of the sum of \$2,000.00 in labor and improvements in and upon said premises, and upon the full payment by him of all indebtedness,

(Testimony of George H. Fuller.)

damages or obligations of any and every nature whatsoever incurred by him under this agreement, surrender his right under this agreement and be released from all obligations thereunder, but such surrender shall be subject to the conditions above provided as to the ownership of all property and improvements.

It is further agreed by and between the parties hereto that the first party shall have the privilege of having a representative at the mine at any and all times it may wish, and the second party agrees to employ in and upon said mine a competent workman to be designated by the first party; said workman shall, however, be subject to the direction and control of the Superintendent.

It is understood by and between the parties hereto that if the said second party shall determine to conduct operation upon said property upon a level lower than the level reached by the present position of the flume, then the outlay or expense incurred thereby shall not be deemed as included within the outlay on account of which the second party is to be reimbursed from the proceeds of said mine as hereinbefore provided.

Time is the essence of this contract and its provisions shall bind the heirs, executors, administrators or assigns of the parties hereto, and the assignment by the second party of this contract or of any right or privilege thereunder shall not release the second party from any obligation or liability hereunder.

In witness whereof, the said Amo Mining Company has caused these presents to be signed by its President

(Testimony of George H. Fuller.)

and Secretary and its corporate seal to be hereto affixed, by virtue of a resolution adopted on the 7th day of April, 1900, by the Board of Directors of said Amo Mining Company, and the said party of the second part has hereunto affixed his hand and seal the day and year first above written.

Then there appears the signature of Geo. H. Fuller, President, and A. B. Kreft, Jr., Secretary; the seal of the mining company, and the signature of G. W. Rumble. It is not necessary to read any further. It is duly acknowledged, and there is an extract from the meeting of the Board of Directors.

(The document is marked "United States Exhibit No. 51.")

Q. Now, Mr. Fuller, you say that that working bond was executed by your company to Mr. Rumble?

A. Yes, sir.

Q. Did he carry out the condition of that bond, or did he gave up his option upon it?

A. He carried out the conditions of the bond up to the time so far as expending the money and working the mine, and eventually gave up work on it.

Q. When did he give up the working of that mine? When did he give up all his right under that bond?

A. I think he ceased working in 1902.

Q. Do you remember when, in 1902?

A. I think at the end of the season, perhaps in June.

Q. About June, 1902, he gave up this option that he had upon the mine?

(Testimony of George H. Fuller.)

Mr. HART.—He did not say so. He said he ceased work.

A. He gave up his option. The matter then rested over the dry season. In the fall when there was water, I think, nothing was done. I called Mr. Rumble's attention to it, but I don't know that there was any formal giving up of the mine.

Mr. McKINLEY.—Q. At any rate, from June, 1902, to the present time, there has been no work done by Mr. Rumble under the terms of that agreement?

A. None, to my knowledge.

Q. Now, Mr. Fuller, did Mr. Rumble furnish you with the statement which that agreement calls for of his expenditures and amounts he took out from the mine?

A. He furnished me with an account of his expenditures.

Q. And with what he had taken out of the mine also?

A. Yes, sir; I think he did.

Q. I show you this book and ask you whether or not that is a statement of his expenditures and a statement of what he took out of the mine? (Handing.)

A. This is a copy of the bills that he rendered me, the amounts that he paid from time to time. All the receipted bills he turned into my office, and my bookkeeper kept this for my own information. I found in it a memorandum of gold that had been taken out which was deducted from the amounts carried forward from time to time, but my recollection is that I had no written



(Testimony of George H. Fuller.)

statement of the amount of gold taken out by Mr. Rumble. This came to me, I think, verbally.

Q. It came verbally from Mr. Rumble?

A. Yes, sir.

Q. As to the amount of gold he had taken out?

A. I put that amount there.

Q. How much is that amount?

A. Two hundred and fourteen dollars and ninety-five cents.

Q. Is that the only entry of gold taken out that you find there?

A. It is the only entry I find in the book.

Q. Two hundred and fourteen dollars and ninety-five cents represents the amount of gold taken out?

A. Represents the amount of gold that I have knowledge of that was taken.

Q. What was the sum total of the expenses there?

A. I have a footing there, \$9,580.90. Evidently, the \$214 has been deducted from it. That does not represent, my recollection is, the entire amount spent by Mr. Rumble. There were some more items which followed along later that I neglected to copy.

Q. The only amount of gold taken out of the mine that he furnished you any information about at all was this one sum \$214.95?      A. Yes, sir.

Q. Now, Mr. Fuller, I show you a letter on the heading of the Sunset Mining Company, dated "June 8, 1900," addressed to yourself, and consisting of two pages,

(Testimony of George H. Fuller.)

signed "Respectfully, G. W. Rumble," and ask whether or not you received that letter from the defendant Rumble in the course of the United States mail at your place in San Francisco?      A. Yes, sir.

Mr. McKINLEY.—I offer this letter in evidence.

Mr. HART.—I object to the introduction of this letter on the ground that it is immaterial, incompetent and irrelevant, and on the further ground it is not any of the letters referred to in the indictment and is not pleaded in the indictment, and on the further ground that it has no relation to the sale of stock whatsoever, and is immaterial and irrelevant.

The COURT.—Let me look at it. (After examination.) The objection is overruled.

Mr. HART.—We will take an exception.

(Letter read in evidence as follows:)

### United States Exhibit No. 52.

San Francisco, June 8, 1900.

California, U. S. A.

Mr. Geo. H. Fuller, c/o Fuller Desk Co., Mission St., City.

Dear Sir: I have recently had two assays made of "Amo" stuff; one was black sand which assayed 500 per ton. The only trouble with this is we cannot get much of it. The other was of cement gravel, which assayed 40c. per ton. The trouble with this is we get too much of it.

(Testimony of George H. Fuller.)

I have now tested the cement gravel by numerous pan tests nearly a day with a rocker and two Chinamen, and finally by a fire assay from Selby's; all of which confirms the fact that there is nothing in it, and the easiest and cheapest way we can get rid of it is the best.

I returned from the mines two days ago, where I had been in weather which registered par and above, and came down here, and caught a terrific cold, but have shaken it off by means of a hot bath and good sweat.

The water run low at the mine, so that we could have only 200 inches which I tried to work with, getting a three inch nozzle. The nozzle and pipe and boxes would fill, but the volume was not great enough to carry off the debris; hence have had to shut down for the season. Mr. Pease and one man, a blacksmith, who does everything, remains there, together with "Jack," the horse.

There needs to be some bands made to put on the pipes where it is leaking at some improperly connected joint that Mr. Reese hurriedly stuck together when I started, which they will attend to, also some completion work on the dam. They will also complete a shaft at the corner of the barn, which is now 21 feet deep, to bedrock. In doing this I have two objects: one is to test it all the way down, and the other is to get a well of water, which is much needed at the camp.

I shall not go up there again for two or three weeks. We have a fairly good supply of lumber on hand at the mine, which completely fills the little lumber house by

(Testimony of George H. Fuller.)

the side of the wagon shed. I think there is enough of all kinds and sizes, except one, to run the mine a year. The size that is required is some 2x4 stuff, such as we use in making boxes. I may get another load of that this summer while the road is good so as to be sure to have it when we want it bye and bye, when the roads are sure to be muddy and impassable.

After shutting down we took up two riffles in the upper boxes but did not find much in them. I was not surprised at this because the pipe men would persistently disobey orders in not keeping the face clear. They would get down the upper bank and cement gravel when either Mr. Pease or I was not there. Mr. Pease had a row with them about it, but it seemed to do no good. Hence, there is a large bank of stuff in which the gold has lodged, if there is any. It was this bank of stuff that we tried to dispose of with 200 inches of water, but could not do it because the debris would not run into the boxes.

Respectfully,

G. W. RUMBLE.

(The letter is marked "United States Exhibit No. 52.")

Q. I show you another letter, Mr. Fuller, dated "San Francisco, August 22, 1901," addressed to yourself and signed, "Respectfully, G. W. Rumble," and ask you whether or not you received that from the defendant at your office in this city in due course of the United States mail? (Handing.)

A. Yes, sir.

(Testimony of George H. Fuller.)

Mr. McKINLEY.—I offer this letter in evidence.

Mr. HART.—We object to the introduction of this letter on the same grounds made to United States Exhibit No. 52.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(The letter was read in evidence as follows:)

**United States Exhibit No. 53.**

San Francisco, Aug. 22, 1901.

California, U. S. A.

Mr. Geo. H. Fuller, c/o Fuller Desk Co., Mission St., San Francisco, Cal.

Dear Sir: After having tested the ground of the "Amo" in every conceivable place and manner, I have come to the conclusion that it would be a losing deal to continue further work on it. I have paid Foster the flume rent to September 21st. I can use the most of the fittings, the lumber in the camp in my other mines, and will buy the whole outfit, including the land, if you will sell it at a reasonable figure. You know that I bought the Hewitt tract of 80 acres last year. I have recently secured an option to purchase Foster's entire property, also the property adjoining Foster's and the "Amo," which, together with the "Amo" and what I have would make about 1,000 acres. The price from Foster and the others named in the option is \$8 per acre.

(Testimony of George H. Fuller.)

Should I buy them all I would make it into a sheep ranch and go to raising alfalfa on portions of it where it can be irrigated. Would also set out a portion of the Foster place to olives as I find there is a good olive grove adjoining a portion of his place.

Respectfully,

G. W. RUMBLE.

(This letter is marked "United States Exhibit No. 53.")

Q. I show you another short letter dated "October 29, 1902," addressed to "G. W. Rumble, Chronicle Building," and signed "Very respectfully, Geo. H. Fuller," and ask you whether or not that is a copy of the letter that you sent to the defendant concerning the "Amo mine" and the price of the same? (Handing.)

A. To the best of my knowledge, it is. I sent such a letter.

Mr. McKINLEY.—I offer this copy in evidence.

Mr. HART.—Q. Do you know whether it was sent by mail or messenger? A. By mail.

Q. This would be what year? A. 1902.

Mr. HART.—We object to this letter, if your Honor please, on each of the same grounds specified in our objection to number 52, and on the further ground that it is not a letter written by the defendant, and therefore it is immaterial and irrelevant in reference to the subject matter under consideration.

The COURT.—I overrule the objection.

(Testimony of George H. Fuller.)

Mr. HART.—We will taken an exception.

(The letter was read in evidence as follows :)

Mr. McKINLEY.—(Reading:) “October 29th”—I will ask you about that before I begin to read the letter. There is a carbon copy. Was the original letter on the letter-head of your firm?       A. Yes, sir.

Q. And the figures 190 appear on the original?

A. Yes, sir.

Mr. McKINLEY.—(Reading:) “October 29,     2,     .  
G. W. Rumble, Chronicle Bldg.

Dear Sir: Replying to yours of the 10th would say, we now have an opportunity to sell the “Amo” mine for \$1,500.00. If you want it at that price, you can have it. In regard to money paid to fight fire, will settle when I see you.

Very respectfully,

GEO. H. FULLER.”

Q. Now, Mr. Fuller, I understand you that this property, the “Amo” mine, the property of the company of which you are the president, reverted to the Amo Mining Company?       A. Yes, sir.

Q. And at the present time Mr. George W. Rumble has no interest whatever in it?

Mr. HART.—We object to the question as immaterial and irrelevant as to the present time.

The COURT.—I am inclined to think it is a matter of law. Perhaps the witness may be right. It is barely

(Testimony of George H. Fuller.)

possible that a Court of Equity on the facts disclosed by this witness would hold that the defendant has no interest in it. That is not a matter for a witness to testify to.

Mr. McKINLEY.—All right.

Mr. HART.—I ask that that portion of the testimony so far as he gave be stricken out.

The COURT.—That answer will be stricken out.

Mr. McKINLEY.—All right.

Q. What use is that property put to at the present time?

Mr. HART.—I object to the question as irrelevant, immaterial and incompetent.

The COURT.—I overrule the objection.

Mr. HART.—We will taken an exception.

A. It is used for agricultural purposes.

#### Cross-examination.

Mr. HART.—Q. Mr. Fuller, in this letter, Exhibit No. 54, the carbon copy of October 29th, 1902, you speak of it as being an answer to yours; meaning Mr. Rumble's of the 10th? A. Yes sir.

Q. Have you got that letter of the 10th?

A. I presume I have.

Q. I will ask you for that letter of October 10th, to which that was an answer; was it with reference to any sale of the stock of the Sunset Company?

A. It was not.



(Testimony of George H. Fuller.)

Q. You mentioned in one of the letters received in evidence, Exhibit No. 53, the Hewitt Tract. Where was that tract located; adjoining your property?

A. Yes, sir.

Q. That adjoins your property? A. Yes, sir.

Q. In which direction? A. West, I think.

Q. And how many acres does it consist of?

A. Eighty acres, my recollection is.

Q. You say that Mr. Rumble, so long as he occupied this particular piece of property mentioned in your bond, paid the bills and carried out that portion of his agreement? A. He did.

Q. In that agreement, I noticed when the District Attorney read it, that it referred to certain licenses. Did you have any license to run the property as a hydraulic property? A. Yes, sir.

Q. That was assigned with your bond, that is, under your bond?

A. It was under our bond. I do not think it was an assignment.

Q. That is one of the licenses that you referred to in the bond?

A. Yes, sir.

Q. So that the defendant had the right under your bond to use this property as a hydraulic property?

A. Yes, sir.

Q. Have you ever mined on that property yourself?

A. Yes, sir.

(Testimony of George H. Fuller.)

Q. Does it contain any black sand?      A. It does.

Q. How much per cubic yard?

A. I should say very little.

Q. About how many pounds; or did you test it sufficiently?

A. I never tested it sufficiently. In my judgment from what I have seen it would not exceed 2 ounces to a cubic yard.

Q. You simply mined the surface?

A. Yes, sir, and down 7 or 8 feet, perhaps.

Q. Did you ever mine it to bedrock?

A. No, sir; in no portion except where we entered over the rim rock.

Q. Explain to the jury what you mean by the "rim rock"?

A. My knowledge of mining is not sufficient to make it understood.

Q. You mean the bedrock?

A. I mean the bedrock; the rim of the bed. There seems to be a rim that forms on either side.

Q. When you cut it, the bedrock would pitch away from it?      A. Pitched away.

Q. Into the hill?      A. Yes, sir.

Q. Under the lava?      A. Yes, sir.

Q. That is, if you continued it further north?

A. Yes, sir.

Q. Did you ever have that black sand assayed yourself?      A. I never did.

(Testimony of George H. Fuller.)

Q. Then you do not know what it does assay?

A. I do not.

Q. What is the depth of the gravel on this property of yours there?

A. It runs from nothing to 120 odd feet. My recollection is, the deep shaft was over 120 feet.

Q. All the way in gravel?

A. All the way in gravel except where it passes through the cement. There is a cement covering of 2 to 4 feet.

Q. That cement is a sort of lava? A. Yes, sir.

Q. How many acres were there in your property?

A. Twenty acres in the mine property, as we termed it. There were 40 acres where the dam was located. Those two properties we had deeds of. There were 2 forties besides that we had filings on that we did not own.

Q. When was the Amo Company organized? You speak there of the Amo Company?

A. It was incorporated in 1898.

CORNELIA J. BROWN, called for the United States, sworn, testified as follows:

Mr. McKINLEY.—Q. Mrs. Brown, where do you reside? A. At Los Gatos.

Q. You were formerly Mrs. Cornelia J. Haile?

A. Yes, sir.

Q. Do you know the defendant in this case, George W. Rumble? A. Yes, sir.

(Testimony of Cornelia J. Brown.)

Q. When and where did you first meet him—became acquainted with him?

A. I met him in March, 1900. I don't remember the day.

Q. Where did you meet him and under what circumstances?

A. I met him on the cars, coming from Sonora.

Q. Did you have some conversation with him at that time?

A. I did. The road was rough and he sat in front of me; and I got nervous and spoke about it, and in that way the conversation was opened.

Q. Did the conversation drift on to mining matters?

A. Yes, sir; he said he was a mining man.

Q. What did he say about that?

A. I don't remember just what he said about it.

Q. The substance of the conversation at that time was simply that he was in the mining business and interested in it? A. Yes, sir, I think so.

Q. Did he tell you where his place of business was—his office? A. Yes, sir.

Q. Did he invite you to come there?

A. Yes, sir, he did.

Q. Did he make any proposition to you with reference to taking up any stock in one of his companies?

Mr. HART.—The defendant objects to the interrogatory as not calling for relevant, material and competent evidence.

(Testimony of Cornelia J. Brown.)

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

A. Yes, sir.

Mr. McKINLEY.—Q. What did he say?

A. He said he had some stock there that there were dividends due on, that he would sell me.

Q. Did he say anything about the amount of those dividends?

Mr. COTTON.—The defendant objects to the interrogatory as not calling for relevant, material and competent evidence.

The COURT.—The objection is overruled.

Mr. HART.—We will take an exception.

A. Yes, sir, he told me that there were five years' dividends.

Mr. McKINLEY.—Q. Five years' dividends had accrued on that stock?      A. Yes, sir.

Q. How many shares did he offer to sell you?

A. As many as I wanted; but I only bought 50 shares, because that was all the money I had.

Q. How much did you pay for those 50 shares?

Mr. HART.—The defendant objects to the interrogatory as not calling for relevant, material and competent evidence.

The COURT.—I overrule the objection.

(Testimony of Cornelia J. Brown.)

Mr. HART.—We will take an exception.

A. I paid \$100.

Mr. McKINLEY.—Q. As to those five years' dividends, at what per cent had those dividends accrued according to what he said?

A. There was \$60 due on them.

Q. Did he pay you the dividends?           A. He did.

Q. You had not been a stockholder, as I understand, for something like five years. You gave him \$100, and he gave you back \$60?

A. He did not give me back \$60 until I got the certificate.

Mr. McKINLEY.—Q. What was that first stock that you bought?           A. Orange stock.

Q. Orange mining stock?           A. Yes, sir.

Q. Did you afterwards exchange that for Sunset Mining Co.'s stock?           A. Yes, sir.

Q. How many shares did you get of the Sunset Mining Co.'s stock?           A. One hundred shares.

Q. Did you receive dividends on that 100 shares of stock?           A. Yes, sir.

Q. For how long a time?

A. I received it up to January of this year.

Q. Of last year, was it not?           A. Yes, sir.

Q. 1903?

A. Yes, sir. When I went and inquired why I had not received the last of it, I was employed in Mr. Rumble's office, and I was in Los Angeles. I was on a two

(Testimony of Cornelia J. Brown.)

weeks' vacation, and I wrote for the two weeks' pay, and Mr. Rumble sent me more than the two weeks' pay and said he had advanced some of my pay. I said I had spent all of my money, and I wanted my money to come home on, and he said he had advanced me money. When I returned I did not pay it back, because I spent it while I was away; so when I went and asked him why I had not received my dividends, he said, when I paid the money I was indebted to the company, that he would pay the dividends.

Q. You say, Mrs. Brown—you were then Mrs. Haile—at that time you were employed in Mr. Rumble's office. When did you enter his employ?      A. In August.

Q. August of when?      A. 1901.

Q. You remained in his employ continuously until January, 1903?

A. Yes, sir. I was away sometimes a few days, and I was away three weeks in December of 1902.

Mr. McKINLEY.—Q. Now, Mrs. Brown, I will ask you whether or not at any time you arranged with any bank through which your husband used to do business to advance you money for the settlement of your estate, and to accept your stock as security?

A. No, sir.

Q. You never made any such arrangement whatever?

A. No, sir.

Q. Referring now to a statement contained in a letter marked "United States Exhibit No. 32." Mrs. Brown, did Mr. Rumble ever have any conversation

(Testimony of Cornelia J. Brown.)

with you with reference to sending out letters of endorsement of the Sunser Mining Company of the properties or stocks of that company?      A. Yes, sir.

Q. What was the nature of that conversation?

A. When people wrote and asked about the mines, Mr. Rumble asked me to write and say I had been there, and what I had seen there.

Mr. McKINLEY.—Q. Had you ever been there?

A. I had.

Q. Did you write it?

A. I did—at least I did not write it—I never wrote it.

Q. You never wrote any letters at all in pursuance of that conversation?

A. Well, yes, I have written one or two.

Q. I will ask you whether Mr. Rumble ever had a rubber stamp signature of yours made.

A. He did.

Q. A fac-simile of your signature?      A. Yes, sir.

Q. And was that rubber-stamp signature placed upon letters by him without your having written them?

A. The stenographer wrote the letters, and I put the stamps on.

Q. I show you this letter, Mrs. Brown, dated Vacaville, California, November 18, 1901, signed "Respectfully, Mrs. C. J. Haile," and attached to it a circular containing drawings of nuggets, and ask you whether or not that is a reproduction of the rubber stamp that Mr. Rumble had made?



(Testimony of Cornelia J. Brown.)

A. That is my own signature.

Q. Look at it closely and see if that is not a rubber stamp.

A. I don't think so. The rubber stamp was heavier. I could not say positively, but it seems to me that the rubber stamp was heavier.

Q. I call your attention to the envelope attached to this letter, "C. J. Haile, Fruit Grower," and ask whether or not Mr. Rumble had those envelopes and letterheads similar to that printed.

A. Yes, sir.

Q. He had those printed? A. Yes, sir.

Q. You did not? A. No, sir.

Q. Did you send out this letter with this circular attached to it at Mr. Rumble's request?

A. Yes, sir.

Q. Through the United States mail?

A. Yes, sir; my home was Vacaville.

Q. This postmark says San Francisco?

A. Yes, sir.

Q. That was sent out from San Francisco?

A. Yes, sir.

Mr. McKINLEY.—I offer this letter and circular in evidence, with the envelope, of course.

Mr. HART.—Q. Mrs. Brown, did you sign your name to this letter?

A. I did, unless it is the rubber stamp. I am quite sure that is my signature.

Q. Where was this mailed from?

(Testimony of Cornelia J. Brown.)

A. San Francisco.

Q. By yourself?

A. Yes, sir, from the office. I don't know whether I put that in the mail-box.

Q. Did you write the letter and enclose this and seal it up?

A. No, sir; the stenographer wrote the letter.

Q. And you signed it?      A. Yes, sir.

Q. And then she would seal it up?

A. Sometimes she would, and sometimes I would.

Q. Then with that did you mail this profile?

A. Yes, sir.

Q. Of these nuggets?

A. Yes, sir; I had drawn that from the nuggets that were brought from the mine.

Q. You drew this actually from the nuggets?

A. I did, yes.

Q. From the nuggets brought from the mine?

A. Yes, sir.

Q. So that this is a truthful statement of the nuggets that you drew?      A. To me it was.

Q. When this letter was sent out, that profile would be sent with it?      A. Yes, sir.

Mr. HART.—We will simply make one objection to this letter; that it is incompetent for the reason that it is not shown that the defendant knew of its being written or sent.

(Testimony of Cornelia J. Brown.)

Mr. McKINLEY.—Q. One question in that connection: At whose dictation was this letter written?

A. At Mr. Rumble's.

Mr. McKINLEY.—I offer the letter.

Mr. HART.—I still object to it on the ground that it is not shown that he knew it was mailed.

The COURT.—It will go in. I do not see why you should object when the witness says it was a truthful statement.

Mr. HART.—We will take an exception.

(Letter read in evidence as follows:)

**United States Exhibit No. 55.**

Vacaville, Cal., Nov. 18, 1901.

C. J. Haile, Fruit Grower.

Mr. F. E. Stone, Newkirk, Oklahoma Ty.

Dear Sir: Owing to the recent death of my husband, I desire to realize on my Sunset Mining Company stock, which pays 2% per month cash dividends. The company's price for their stock is now \$1.50 per share. They inform me that it will be very much higher within the next twelve months. My stock cost me \$1.00 per share. Enclosed I send you one of their circulars, which I got at their office yesterday. I can have the stock transferred in your name.

Respectfully,

Mrs. C. J. HAILE.

(Testimony of Cornelia J. Brown.)

(The circular contains diagrams of the size of nuggets, with their respective values, and the following: "Profile of a few nuggets from 'Old Glory' Gold Mine, Butte County, California, U. S. A. 5 days' run, October 28, 1901. Come and see 'Old Glory'.")

(The letter is marked "United States Exhibit No. 55.")

Mr. McKINLEY.—Q. You did not see the nuggets come personally from the mine? They were simply in the office?

A. I saw Mr. Rumble come from the mine direct and put them into a pan.

Q. Where they came from outside of that fact, you do not know. You do not know anything except that he produced those nuggets, and you reproduced them in drawings? A. I saw him bring them.

Q. Did Mr. Rumble make arrangements with you as to the payment of commission for the writing of such letters?

A. I was to have 10% on the sale of stock.

Q. Sale of stock, how?

A. Which resulted from those letters.

Q. You never gave up your stock, and have it now. Is that right? A. Yes, sir.

Q. Mrs. Brown, who was it that gave the general direction as to the mailing of circular matter from that office? A. Mr. Rumble.

Q. Mr. Rumble exclusively?

A. Yes, sir, I think so.

(Testimony of Cornelia J. Brown.)

Mr. McKINLEY.—Q. I will ask you, Mrs. Brown, whether or not you ever saw a meeting of the Board of Directors of the Sunset Mining Company held in the office of the company in the Chronicle Building, in this city?      A. No, sir.

Q. You never knew such a meeting was held?

A. I don't know. Mr. Rumble has said there was.

Q. You never have seen one at all?      A. No, sir.

Q. Did you ever see Mr. Pease, the President of the company in the office in San Francisco at all?

A. I have.

Q. I will show you, Mrs. Brown, "United States Exhibit No. 29," consisting of two stock certificates of the Sunset Mining Company issued to H. E. Bliler, and ask you to state whether or not you filled out those stock certificates, if that is your handwriting?

A. That is my handwriting, but we never filled out certificates with this printed on. I don't understand that (pointing). We filled them out like this (pointing). At least I always filled them out and gave them to Mr. Rumble to sign.

Q. That is your handwriting?

A. That looks like mine.

Q. It is, is it not?

A. I should say it was, but I cannot understand how this was.

Q. You don't remember about that portion, but you are certain about this being your handwriting all right (pointing)?

(Testimony of Cornelia J. Brown.)

A. Yes, sir. I never remember writing a certificate that had his signature to it until after it was written.

Mr. McKINLEY.—Q. Did you ever see, in the office of the Sunset Mining Company, or did you ever know a person of the name of Frank Rogers, consulting director and retired miner?

A. There was a gentleman used to come in there all the time that Mr. Rumble called Mr. Rogers. That is all I know about it.

Q. You know of no connection that he ever had with the company, that is, of your own knowledge?

A. We had two rooms, and you could not hear what was said from our room in theirs, but that was Mr. Rogers; that is all I know about it.

Q. You don't know whether or not he had any connection with the company at all?      A. No, sir.

Q. Did you ever know personally anyone by the name of Henry Armstrong?

A. I don't remember the name.

#### Cross-examination.

Mr. HART.—Q. Mrs. Brown, there are two certificates that were handed to you under the designation in the question by Mr. McKinley as "Exhibit 29," and you said that this looked like your handwriting, and the other is Mr. Rumble's signature, "but I don't think this is." I am unable to state which certificate you referred to. I therefore hand you certificate No. 792, a part of "Exhibit 29," and ask you to state if that is the certifi-

(Testimony of Cornelia J. Brown.)

cate where you said you were in doubt about the signature of Mr. Rumble (handing)?

A. We never made certificates out when this was filled in. That was always blank when I made out certificates, and then I gave them to Mr. Rumble so that he examined them to see if I had written them right; then he signed them and sent them out himself.

Q. That, you say, is not such a certificate?

A. No, sir, I never remember writing a certificate with his signature on.

Q. You pronounce that as a lithographed signature?

A. I don't know. I know that it does not look like his handwriting. That looks like my writing.

Q. That is, you mean the body?

A. This (pointing).

Q. That is, the words "A. P. Bliler, 100" looks to be in your handwriting?

A. Yes, sir. If this was not on, I should say it was my writing.

Q. With the name, "G. W. Rumble," you would say it was not?      A. I don't know what to say.

Q. You do not know whether it is or not?

A. I never wrote one, because I would not take that responsibility.

Q. This other certificate which I hand you, No. 861, where the signature of Mr. Rumble is written there as secretary, that you do recognize as a certificate filled up by you and signed by Mr. Rumble after it was filled up?

(Testimony of Cornelia J. Brown.)

A. Yes, sir, that is the way we always wrote them.

Q. Now, in reference to this Orange stock that you referred to, in answer to Mr. McKinley: What year was it that you met Mr. Rumble on the train?      A. 1900.

Q. Do you remember what month in the year?

A. In March.

Q. 1900?      A. I am positive it was March.

Q. Then you were on your way to the city?

A. Yes, sir.

Q. How soon after you arrived in the city was it that you again saw Mr. Rumble?      A. The next day.

Q. Where did you see him?

A. I saw him at the ferry.

Q. Here in San Francisco?      A. Yes, sir.

Q. When next after that?

A. The first time I came to the city—I went home to Vacaville—I don't recollect, but not very many months.

Mr. HART.—Q. When did you buy that Orange stock?      A. In March.

Q. Of 1900?      A. Yes, sir.

Q. When did you make the exchange?

A. Either in May or July. I am not positive which, Mr. Hart.

Q. Of the same year?

A. Yes, sir. My certificate would show, but I am not positive.

Q. You say you were up at the mill?      A. I was.

Q. How long and how often?



(Testimony of Cornelia J. Brown.)

A. I was there twice.

Q. How long did you remain each time?

A. Just one day each time.

Q. Were you there at the time of any of the clean-ups?      A. Yes, sir, twice.

Q. About how much gold was taken out at the first clean-up that you were there?

A. I don't know how many dollars, but I should say a quart or more.

Q. What sort of looking gold was it?

A. It was all colors and all kinds. Some looked like copper; some was bright; some covered with dirt.

Q. Rust?

A. Yes, sir. I asked Mr. Pease why the gold was the different colors, and he said it was the different mineral deposits.

Q. About what time was that?

A. I think that was in August. I am not sure—soon after I went in the office.

Q. Of 1900?      A. Yes, sir.

Q. 1900 or 1901?      A. 1901.

Q. How long after that was the next clean-up that you saw?

A. In May. A lot of ladies came from the East and asked me to go with them, and I went.

Q. Was that in May, 1902?      A. Yes, sir.

Q. How much was cleaned up at that time?

A. I should think half a panful, a gold pan. The pan was half full.

(Testimony of Cornelia J. Brown.)

Q. You know what a milk pan is?

A. Yes, sir, it was like that, only it was iron instead of tin.

Q. It was a miner's pan?           A. Yes, sir.

Q. You say it was about half full?

A. I should judge so.

Q. What appearance did that have—the same as the other?           A. Just the same.

Q. You saw it cleaned up?           A. I did.

Q. By the way, about how many rooms were there to that office of Mr. Rumble's?           A. Two.

Q. One was used for the typewriter and stenographer?           A. Yes, sir.

Q. And the other was his private office?

A. Yes, sir.

Q. And, of course, you do not know whether any meetings took place in his private office or not by the Board of Directors?           A. No, sir.

Q. You say you saw a man there by the name of Frank Rogers?

Mr. McKINLEY.—She did not say that.

A. I know a man who used to come in there that he called Mr. Rogers.

Mr. HART.—Q. How often did you see him there?

A. A great many times.

Q. Did you ever see Mr. Armstrong there?

A. I don't know; I don't remember.

(Testimony of Cornelia J. Brown.)

Q. You don't recall the names?

A. No, sir. I saw a great many, but I never heard their names.

LAURA LADD, called for the United States, sworn, testified as follows:

Mr. McKINLEY.—Q. Where do you reside, Miss Ladd?      A. 749 Bush street.

Q. San Francisco?      A. Yes, sir.

Q. Were you ever employed in the office of the defendant, George W. Rumble?      A. I was.

Q. As a stenographer?      A. Yes, sir.

Q. Did you ever have occasion to send out circular matter through the United States mails at the direction of Mr. Rumble?      A. I did.

Q. By the way, I did not ask you, during what period your employment lasted?

A. I went there in either the last of February or the first of March, 1900.

Q. And you remained there how long?

A. A little over a year; perhaps a year and a half. I don't remember just exactly.

Q. I show you now, Miss Ladd, a circular dated July, 1900, and attached to it various other circulars, with nineteen circulars attached to the first one, and ask you, to examine those and state whether or not you sent out circulars of that description and kind through the

(Testimony of Laura Ladd.)

United States mail at the direction and request of Mr. Rumble?

A. I remember these. I am not absolutely certain of that—something similar.

Q. Your name is on the corner of that?

A. Yes, sir.

Q. You placed your name in the upper right-hand corner of this first circular?      A. Yes, sir.

Q. That indicates, does it not, that you sent a circular of similar import to that one through the mails?

A. Yes, sir.

Mr. McKINLEY.—I offer them in evidence.

The COUR.—Fnd out what ones she does not know anything about.

Mr. McKINLEY.—That is the only one (pointing).

The COURT.—Q. Did you send a circular like that through the mail?

A. The reason I hesitate is, I do not remember those figures.

Mr. McKINLEY.—Q. But it was a circular of that general import?      A. Yes, sir.

Q. And the others you remember?

A. Yes, sir.

Q. Those things were sent out all together, were they, in one bundle, just as they are?

A. Yes, sir.

Mr. McKINLEY.—I offer them in evidence, if your Honor please.

(Testimony of Laura Ladd.)

Mr. HART.—Q. When did you say these were sent out?

A. While I was in his office. I don't remember the exact time.

Q. You don't remember when you commenced working there?

A. Either the last of February or the first of March, 1900.

Q. How long did you remain there?

A. Over a year; I think about a year.

Q. Are you able to say what date these were sent out? A. No, sir, I have no idea.

Q. In fact, these are printed circulars, and the written portion of it here is the only part that was written in? A. I think so.

Q. I am speaking of this one. This is the one I am asking about. On the first page there is a certain writing in the descriptions of the certificate of assay. Those were written in from time to time as they were sent out?

A. I don't remember; I don't think so.

Q. I don't want to mislead you. What I am speaking of is this; this written portion contained in the certificate of assay was filled up from time to time as these were made, and that the date here, July, 1900, has no reference to the date of the actual sending of the document? A. The date, as I remember, no.

Q. What I want to know is, and that will be the last question if you answer it intelligently, what date

(Testimony of Laura Ladd.)

was this document, or one like it, mailed to any person or to any place?      A. I don't know.

Q. Is that your signature at the top in pencil?

A. Yes, sir.

Q. When did you write that?

A. I don't remember.

Q. Did you not write it about Friday or Saturday?

A. No, sir.

Q. Or since?      A. No, sir.

Q. Did you not write this in the presence of the district attorney or his assistants?

A. I did, if Mr. O'Connell is the district attorney.

Q. He is a postoffice inspector, a great deal worse than the district attorney. Did you write it in his presence?      A. Yes, sir.

Q. When?

A. I don't remember; 2 or 3 months ago.

Q. Within a short time?      A. Yes, sir.

Mr. HART.—We object to that document on the ground that it is immaterial, irrelevant and incompetent; further that the witness has not fixed any date or time when it was mailed. It may have been mailed after the sale of all this stock. It may not have been mailed to induce anyone to purchase any part of the shares that were sold, and the same is not referred to or alleged or pleaded in the indictment, and is therefore immaterial, irrelevant and incompetent.

The COURT.—I overrule the objection.

(Testimony of Laura Ladd.)

Mr. HART.—We will take an exception.

Mr. McKINLEY.—I do not think it will be necessary for me to read it all. I want certain portions, at any rate. (Reading:)

**United States Exhibit No. 56.**

“San Francisco, Cal., U. S. A.

July —, 1900.

This is a facsimile of an assay of black sand from the ‘AMO MINE.’ One pound of this sand will buy eight pounds of sugar.

There are thousands of TONS of it in the ‘AMO.’

The ‘Amo’ mine belongs to the Sunset Mining Co., whose stock is now paying 2% monthly cash dividends. As soon as we have it and additional mines fully equipped, sales of stock will cease, when 5% monthly dividends will be paid and stock worth \$5 per share.

COME AND SEE. Get your Sunset Stock NOW or you will ‘get left.’

**SUNSET MINING COMPANY.”**

The next circular bears a photograph which is entitled “The ‘Amo’ Hydraulic Gold Mine.” (Reading:)

“This mine is 2½ miles, over a good road, from Oroville, Cal., 150 miles from San Francisco. Train leaves San Francisco at 4 P. M., arrives in Oroville at 11. You can be in bed and asleep in 30 minutes, get a good rest and drive to the mine before breakfast if you wish.

(Testimony of Laura Ladd.)

The 'Amo' is one of the best paying mines in California. The nozzle of the giant is 4 inches, the pressure of 110 feet head, the most of the gravel is readily disintegrated, the mine is an ancient river channel. The gravel bank being hydraulicked varies from 30 to 150 feet high.

**COME AND SEE FOR YOURSELF.**

The 'Sunset' pays regular monthly dividends of two per cent. You are invited to join us. (See booklet.)

**SUNSET MINING COMPANY."**

The next portion of this exhibit reads, after the photograph: "Headgate of the 'Amo' Hydraulic Gold Mine."

"This shows the measuring box and headgate of the hydraulic pipe line of the 'Amo' mine. The 'Amo' uses about 400 miners' inches of water. The water is brought in ditches and flumes about 3 miles. It is interesting to those unacquainted to see how water is measured and calculation made of how many yards of gravel should be hydraulicked daily with a given amount of water. **COME AND SEE.** We will be glad to show you.

You are invited to join our 'Sunset' Company, and receive two per cent. monthly cash dividends. (See booklet.)

The 'Amo' Hydraulic Gold Mine is near Oroville, Cal.

**SUNSET MINING COMPANY."**



(Testimony of Laura Ladd.)

The next portion contains a photograph, entitled: "Sluice-box":

"The sluice-box or flume of the 'Amo' Hydraulic Gold Mine near Oroville, Cal., of which this picture shows a portion, is 2000 feet long (over  $\frac{1}{3}$  of a mile). The bottom of the sluice-box is arranged with gold-saving riffles. The gravel and dirt passes through with the water, while the gold, being of greater specific gravity, is caught and held by the riffles. Part of the flume is 3 feet and part 2 feet wide. The grade varies from 6 inches to 4 inches fall for each 12 feet in length.

COME AND SEE. We will explain it all to you.

You are invited to joint the 'Sunset' Company and get two per cent. cash dividends monthly. (See booklet.)

SUNSET MINING COMPANY."

The next one bears a photograph entitled: "Debris Impounding Dam."

"This picture shows the dam built across the Cherokee ravine about one-half a mile below the dump of the 'Amo' sluice-box, to prevent the tailings and slickings from the mine going into the Feather River and Sacramento River and impairing navigation. This dam was built under the direction of and accepted by the U. S. Debris Commission, who have granted the 'Amo' a license to hydraulic. All hydraulic mines that are tributary to navigable or agricultural streams in California, must impound their tailings.

(Testimony of Laura Ladd.)

You are invited to come and see it all and become one of the happy 'Sunset' Company, and receive two per cent. monthly cash dividends. (See booklet.)

The 'Amo' Hydraulic Gold Mine is near Oroville, Cal.

SUNSET MINING COMPANY."

The next bears a photograph entitled, "A cut Through the Rim Rock":

"In order to get into the old river channel of the 'Amo' Hydraulic Gold Mine, it was necessary to make a deep cut through the rim-rock into the channel. This cut is 700 feet long by about 30 feet deep. The sluice-boxes are placed in this cut in the bottom of which are the riffles which catch the gold. Quicksilver is often poured into the riffles where it lodges and catches the very fine flour gold. But the 'Amo' being a producer of platinum and magnetic black sand, burlaps are placed under the riffles which we find answers better than 'quick.' Come and see.

If you want two per cent. cash dividends monthly get some 'Sunset.' (See booklet.)

SUNSET MINING COMPANY."

The next one bears a photograph entitled, "300 Miners' Inches of Water":

"When making the cut through the rim-rock to get into the old river channel the water was allowed to flow over the face of the 'Amo' Hydraulic Gold Mine and into the cut to wash out the earth and rock as it was picked loose. The face was about 40 feet high. This

(Testimony of Laura Ladd.)

picture shows the water flowing over the face and into the cut, also a plank to cross on.

Are you a 'Sunsetter' and receiving two per cent. cash monthly dividends? If not, why not? (See booklet.)

**SUNSET MINING COMPANY."**

The next one bears a photograph entitled, "The Cook House and Dining-room of the 'Amo' Camp":

"The altitude of the 'Amo' Hydraulic Gold Mine is about 300 feet.

Its an interesting short drive of two and one-half miles from Oroville, passing orange, almond, olive and fig groves. When you come and **SEE FOR YOURSELF** shut the gates, as you go through.

'Amo' means, I love. If you love 2 per cent. cash monthly dividends you should have 'Sunset' stock. (See booklet.)

**SUNSET MINING COMPANY."**

The next one is entitled, "The Pipe 'Busted' ":

"Before the rim-rock cut was made and sluice-boxes put in at the 'Amo' mine, one day several uninvited visitors were noticed meandering up the 'ground sluice' hunting for nuggets. Suddenly the pipe busted and the visitors were knee deep in water. The guests proved to be friends from Oroville who had driven up the back way; a cup of hot coffee soon made matters all right. If you want nuggets don't wander up the sluice 'or the pipe may bust' but secure some 'Sunset' stock

(Testimony of Laura Ladd.)

and your nuggets will come at the rate of 2 per cent per month. (See booklet.)

**SUNSET MINING COMPANY."**

The next one is, "Piping into a Ground Sluice":

"A ground sluice is simply the bottom of a gully or ditch which is made partly smooth so the rocks and dirt washed down by the water from the giant will pass through. Gold being nineteen specific gravity settles into the crevices and uneven places where it remains. After several days of piping the sluice is 'cleaned up,' often being found yellow with gold dust and nuggets. COME AND SEE.

Say, did you know that 'Sunset' stock pays 2 per cent cash monthly dividends? (See booklet.)

**SUNSET MINING COMPANY."**

The next one is entitled "The Bunk-house."

"The center building is the bunk-house of the 'Amo' Hydraulic Gold Mine.

To the left is the office and tool-house, to the right is the 'eat-house.' The Sunset Mining Company operates several mines. The 'Amo' is the pet; in describing it we practically describe all Hydraulic Mines and many features of other mines in California.

Our latch string is out for you to come and see. Secure some 'Sunset' stock and receive 2 per cent cash monthly dividend. (See booklet.)

**SUNSET MINING COMPANY."**

(Testimony of Laura Ladd.)

The next one is entitled "At work in the 'Rim-rock Cut.'"

"The men are down in the cut picking the soft rock loose, occasionally putting in a shot of dynamite where the hard places are. A good sharp pick will last only about one-half an hour, hence the blacksmith is kept very busy. After the picking the gates of the water pipe are opened, allowing the water to flow into the cut at the upper end (which is in the woods as shown in this picture) to wash out the loose material. COME AND SEE, its good for your health, its also healthy to secure 'Sunset' stock and receive 2 per cent monthly dividends. (See booklet.)

SUNSET MINING COMPANY."

The next is entitled "The Impounding Dam":

"This shows the completed dam which is about one-half a mile down Cherokee ravine from the dump of the 'Amo' Hydraulic Gold Mine. This dam is simply a crib of logs firmly fastened to bed rock and bolted together from bottom to top, then filled with rocks, through which the water seeps but the tailings from the mine are held back. COME AND SEE. The 2 per cent, monthly dividends on 'Sunset' stock are NOT held back, Are you a Sunsetter? (See booklet.)

SUNSET MINING COMPANY."

The next is "The 'Amo' Piping":

"This shows where work was commenced in the gully several years ago, Cherokee ravine and all the

(Testimony of Laura Ladd.)

gully leading into it was alive with '49'ers, working with pan and rocker until about 1854 or '55. Reports say \$5,000,000, in dust and nuggets was secured. Now we know it came from an old river channel which 'Amo' has just got into by means of the rim rock cut.

We are in it, and don't you forget it. COME AND SEE. Are you 'in it' getting 2 per cent, monthly dividends on 'Sunset' stock? (See booklet.)

#### SUNSET MINING COMPANY."

The next is a reproduction of one I have already read, and I will not do so again. The next is entitled "Another View of the 'Amo' Sluice-box," which I think it is not necessary to read. The next is entitled "A View of the Rim-rock Cut," which it is unnecessary to read.

The next is "A Portion of the Rim-rock Cut with the Sluice-box":

"This shows the lower end of the rim-rock cut, with the sluice-box in place. This box is 24 inches wide by 24 inches deep. The gold saving riffles in the bottom are 4 inches deep; they are made in sections 5 feet long so as to be readily removed when 'cleaning up.' The gold is found in and under the riffles and burlap where it has been caught. COME AND SEE. If you want a monthly 'clean up' of 2 per cent, get some 'Sunset' stock. (See booklet.)

#### SUNSET MINING COMPANY."

(Testimony of Laura Ladd.)

The next is entitled "Gold Dredge No. 3":

"We have rich gravel mines and want to build several such Gold Dredges which cost about \$80,000 each. They are run by electricity, that we buy ready made—cheaper than steam power.

Sunset stock NOW pays 2% monthly; bye and bye it will pay 5% and be worth \$5 per share.

Get your Sunset stock NOW or you will get left. We have rich mines and will soon have ample machinery.

Come and see the mines that are working. (See booklet.)

#### SUNSET MINING COMPANY."

The next is entitled "Electric Gold Dredge":

"This dredge is operating near Oroville, Cal.; capacity about 4,000 cubic yards daily; horse-power, 350; cost \$90,000; value of gravel about 30 cents per yard. NET; profit daily (24 hours) \$500 to \$700. Electric energy is bought from a company who generate it from mountain falls forty miles from Oroville. Cost of power delivered at dredge, \$5, per horse power per month; cost of steam power generated on other dredges near by, about \$9.00 per horse power per month.

The Sunset Company has enough rich placer ground to operate several such dredges.

(Testimony of Laura Ladd.)

Buy Sunset stock and get NOW 2 per cent per month dividends; bye and bye you will get 5% and stock will be worth \$5,00 per share.

Come and see. (See booklet.)

SUNSET MINING COMPANY."

Chronicle Bldg.,

San Francisco Cal.

(The document is marked "United States Exhibit No. 56.")

Q. I will ask you, Miss Ladd, if during the time of your employment, you ever saw or knew a director of the name of Frank Rogers?      A. No, sir.

Q. Did you ever know a director of the name of Henry Armstrong?      A. No, sir.

Q. Never saw either of those parties at that office?  
A. No, sir.

Q. Did you ever see or hear of or know of a meeting of the Board of Directors of the Sunset Mining Company in that place when you were there?      A. No, sir.

Q. Did you ever keep any books of the Sunset Company while you were there?      A. No, sir.

Q. Did you ever see any books while you were there of the Sunset Mining Company?

A. I saw books, yes, but I don't know what they were.

Q. What book did you see?

A. There were not any books that I had anything to do with. I don't know what they were. They may have been bookkeeping books, and they may not.



(Testimony of Laura Ladd.)

Q. You do not know anything about books, in other words?

A. I was not employed in that capacity.

Cross-examination.

Mr. HART.—Q. You are not able to state what time you left the employ of the Sunset Company?

A. No, sir, I don't remember. It was in the fall sometime, but I don't remember the date.

Q. The fall of 1900 or 1901?

A. I should say 1901.

HUGO W. HUNTZE, called for the United States, sworn, testified as follows:

Mr. McKINLEY.—Q. Where do you reside?

A. At 2133 Howard.

Q. In San Francisco?           A. Yes, sir.

Q. What is your business?

A. I am an electrotyper.

Q. Employed where?

A. At the W. F. Cornell Electrotype Co.

Q. How long have you been employed in the W. F. Cornell Electrotype Co.?

A. About 20 months.

Q. Do the books of your company, the W. F. Cornell Company show that your company has had any business transactions or dealings with a concern known as the Sunset Mining Company? I call your attention particularly to the entry which I show you here—there is no way to designate the page; it is dated March 31, 1903—

(Testimony of Hugo W. Huntze.)

and ask you whether that represents a transaction of that concern with that company?

A. Yes, sir. The bill was made out by myself.

Q. Who was it that ordered that work?

A. Mr. Rumble—known to me as Mr. Rumble by coming to the office.

Q. That is this gentleman who sits here, the defendant?      A. Yes, sir.

Mr. McKINLEY.—I do not want to introduce this book in evidence, but I want the record to show what was read.

The WITNESS.—Shall I read it?

Mr. HART.—Wait a moment.

Mr. McKINLEY.—Counsel has a right to see it.

Mr. HART.—What is your question?

Mr. McKINLEY.—I asked him to read it to the jury.

Mr. HART.—I suggest that you can read it as well as he can, but I object either to his reading it or your reading it.

Mr. McKINLEY.—I offer now to read the transaction.

Mr. HART.—I object to it as immaterial, irrelevant and hearsay so far as this defendant is concerned.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception,

Mr. McKINLEY.—(Reading:) “San Francisco, California, March 31, 1903. Sunset Mining Company to W.

(Testimony of Hugo W. Huntze.)

F. Cornell & Co., Dr., 518 Sacramento Street." I will leave out the unnecessary part. "One zinco signature, 75 cents; one electro signature, 35 cents; one rubber-stamp signature, 50 cents. Chapman. \$1.60." What does the word "Chapman" indicate?

A. That is a description of the signature which it is customary for us to place on the order.

Q. That is the signature that he ordered?

A. Yes, sir.

Q. Did he order a rubber stamp signature of Chapman?

A. He ordered a zinco of the signature "Edwin Chapman," also an electro from that zinco, also a rubber stamp from that zinco.

Q. All of the signature of "Chapman"?

A. Yes, sir.

Q. Did you make those signatures for him?

A. I had the zinco made. I made the electro, and I had the rubber stamp made.

Q. I show you three bills, one dated "March 30, 1903, Cornell & Co., To Bingley Photo Engraving Co.; and another dated April 13, 1903, W. F. Cornell & Co., In account with Moise-Klinker Co.," and a third dated "March 31, 1903, entitled W. F. Cornell & Co.. Bought of Moise-Klinker Co.," and ask you whether or not those bills represent the transaction that you had with reference to having that zinco and rubber stamp made?

(Testimony of Hugo W. Huntze.)

Mr. HART.—We object to the question on the ground that it is irrelevant, immaterial and incompetent, calls for hearsay testimony and is irrelevant to this, and is also incompetent.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

A. Yes, sir. Those were the bills for the zinco and rubber stamp respectively.

Mr. McKINLEY.—I show you on the third one of these to which I have called your attention the rubber stamp impressed several times "Edwin Chapman," and ask you whether or not that is an impression of the rubber-stamp ordered from you by the defendant?

A. Yes, sir, that is an impression of the rubber-stamp put on by Mr. Klinker to recognize their bills.

Mr. McKINLEY.—I shall offer these in evidence.

Mr. HART.—We object to them on the ground that they are immaterial, irrelevant, incompetent, hearsay, not referred to or alleged in the indictment, and the defendant had nothing to do with it.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(The bills are marked "United States Exhibit No. 57.")

The following is a copy of said bills, being United States Exhibit No. 57:

(Testimony of Hugo W. Huntze.)

United States Exhibit No. 57.

San Francisco, Mar. 30, 1903.

Cornell & Co.,

To Bingley Photo Engraving Co., Dr.

529 Clay Street.

1 Zineo Signature..... .45

Edwin Chapman.

STATEMENT.

San Francisco, Apr. 13, 1903.

W. F. Cornell & Co., 522 Sact.

In account with Moise-Klinker Co.

320 Sansome St.

To account rendered

Mar. 31. To Mdse as per Bill.....35.

San Francisco, Mar. 31, 1903.

W. F. Cornell & Co.

Bought of Moise-Klinker Co.

320 Sansome St.

1 stamp from cut..... .35.

Edwin Chapman

Edwin Chapman

Edwin Chapman

Edwin Chapman

Cut returned herewith.

Cross-examination.

Mr. HART.—Q. Do you know whether or not you delivered those to Mr. Rumble or to Mr. Chapman?

(Testimony of Hugo W. Huntze.)

A. I do not know. I did not deliver them.

Q. Do you know who did deliver them?

A. Our bookkeeper. He is present here, I think.

Q. Do you know who ordered them? Was it the defendant, or Mr. Chapman?

A. Mr. Rumble ordered them from me personally.

Q. And the stamp that you had made is as specified on those bills that you have just referred to, Exhibit No. 57?

A. Yes, sir.

Q. Do you know when they were made. When was the order given to you?

A. March 31st, 1903.

Q. According to that item that was read in evidence a moment ago?

A. Yes, sir.

Q. How long after you received the order was it that you delivered them?

A. I cannot say.

Q. Two or three weeks?

A. No, sir, possibly one day.

MARTHA DILLON, called for the United States, sworn, testified as follows:

Mr. McKINLEY.—Q. You reside in San Francisco, Miss Dillon?

A. Yes, sir.

Q. Where are you employed?

A. I am employed at the Alhambra Mineral Water Company.

Q. Where were you employed during the month of March, 1903?

A. At W. F. Cornell & Co.

Q. I will ask you whether or not during the month of March, 1903, or early in the month of April, 1903,

(Testimony of Martha Dillon.)

you delivered to the defendant, Gorge W. Rumble, the items to which I call your attention on the bill which has been read in evidence (pointing)?

A. Yes, sir.

Q. "1 Zinco Signature, 1 Electro Signature, and 1 Rubber Stamp, Chapman"? A. Yes, sir.

Q. You delivered those things to him personally?

A. Yes, sir.

Cross-examination.

Mr. HART.—Q. You do not remember the date of the delivery, do you, Miss Dillon?

A. No, sir, I cannot recall it exactly.

JOHN BULL, Jr., recalled for further examination.

Mr. McKINLEY.—Q. I show you a letter upon the letter-head of the "Alliance Bank, Chronicle Building, San Francisco, California, U. S. A.," dated, "San Francisco, Cal., July 29, 1903," addressed, "Smith & Bull, Realty Building, Elmira, N. Y.," and signed with a rubber stamp, "Edwin Chapman, Cashier"; and also an envelope bearing a 2c. postage stamp, addressed to "Smith & Bull, Realty Building, Elmira, N. Y.," post-marked, "San Francisco, July 29, 1903," and bearing in the left-hand upper corner of the same, "Alliance Bank, Chronicle Building, San Francisco, California, U. S. A.," and ask you whether or not your firm received that letter in that envelope in due course of the United States

(Testimony of John Bull, Jr.)

mail, through the United States mail, from the defendant?      A. We did.

Mr. McKINLEY.—I offer this letter in evidence.

Mr. HART.—We object to the receipt of this letter in evidence on the ground that it is immaterial, irrelevant and incompetent; and the further ground that it is not one of the letters specified in the indictment, and is therefore inadmissible.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(The letter was read in evidence as follows:)

**United States Exhibit No. 58.**

July 29th, 1903.

Smith & Bull, Realty Building, Elmira, N. Y.

Gentlemen: Referring to your request, regarding my interest and knowledge of the Sunset Mining Company, who was the successor in March, 1900, of the Orange Mining Company, would say that I was a stockholder in the original company and that I have received all of the one hundred and fourteen monthly dividends, and that I have increased my holdings from time to time, as my abilities warranted, being satisfied with the company and its management in every respect.

Very respectfully yours,

EDWIN CHAPMAN,

Cashier.

(The letter is marked "United States Exhibit No. 58.")



(Testimony of John Bull, Jr.)

Cross-examination.

Mr. HART.—Q. Were you not in California at the time that letter was written?      A. No, sir.

Q. When did you return from your visit here back to Elmira, you and Mr. Smith?

A. The latter part of June.

Q. 1903?      A. Yes, sir.

Mr. HART.—We move to strike out from the evidence of this case, if your Honor please, the letter, Exhibit No. 1, dated October 7th, 1903, on the ground that that letter upon its face shows that it was not written for the purpose of inducing either Mr. Smith or Mr. Bull, or either of them, to purchase any stock; and on the further ground that it was mailed and received by them after all of the stock which they bought or dealt in had been bought and purchased.

The COURT.—The motion is denied.

Mr. HART.—We will take an exception.

Mr. McKINLEY.—I desire to offer in evidence a certified copy of the Articles of Incorporation of the Alliance Bank. The certificate is by the Secretary of State, under the Great Seal of the State of California.

Mr. HART.—We object to the introduction of these articles as immaterial, irrelevant and incompetent, as against the defendant.

The COURT.—I overrule the objection.

(Testimony of John Bull, Jr.)

Mr. HART.—We will take an exception.

Mr. McKINLEY.—The certificate of the Secretary of State is dated the 10th day of May, 1904. I do not deem it necessary to read the Articles of Incorporation in full. It is simply Articles of Incorporation of the Alliance Bank. I will read this:

“Know all men by these presents: That we, the undersigned, a majority of whom are citizens and residents of the State of California, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the State of California.

And we hereby certify, first: That the name of said corporation shall be the Alliance Bank.

Second: That the purposes for which it is formed are to do a general banking and trust business.

Third: That the place where the principal place of business of said corporation is to be transacted is San Francisco, California.

Fourth: That the term for which said corporation is to exist is fifty years from and after the date of its incorporation.

Fifth: That the number of Directors or Trustees of said corporation shall be five, and that the names and residences of the Directors or Trustees who are appointed for the first year and to serve until the election and qualification of such officers, are as follows, to wit:

(Testimony of John Bull, Jr.)

Names:	Whose Residence is at:
G. W. Rumble .....	San Francisco.
G. I. Berry .....	San Francisco.
C. Jorgensen .....	San Francisco.
M. F. Rumble .....	San Francisco.
J. C. Anthony .....	San Francisco.

Sixth: That the amount of the Capital Stock of said corporation is Two Hundred Thousand Dollars, and the number of shares into which it is divided is Two Thousand of the par value of One Hundred Dollars each.

Seventh: That the amount of said Capital Stock which has been actually subscribed is Fifty Thousand Dollars, and the following are the names of the persons by whom the same has been subscribed, to wit:

Names of Subscribers.	No. of Shares.	Amount.
G. W. Rumble,		29,400
G. I. Berry,	Two	200
C. Jorgensen,	Two	200
M. F. Rumble,	Two Hundred	20,000
J. C. Anthony,	Two	200."

The certificate appears to have been signed and duly acknowledged with the certificate of the Secretary of State.

"In witness whereof, I have hereunto set our hands and seals this 4th day of March, A. D. 1903," and then appear the signatures, "G. W. Rumble, G. I. Berry, C. Jorgensen, M. F. Rumble and J. C. Anthony."

THEODORE KYTKA, called for the United States, sworn, testified as follows:

Mr. McKINLEY.—Q. You reside in San Francisco?

A. Yes, sir.

Q. What is your profession, Mr. Kytka?

A. I am an engraver and writing expert for nearly 20 years.

Q. You have been a handwriting expert for the last 20 years?      A. Yes, sir.

Q. What has been your experience in the comparisons of handwritings, and in the examination of disputed handwriting?

A. I have examined and testified in a great many cases, in the United States and Canada.

Q. I show you now United States Exhibit No. 1, and I also show you United States Exhibit No. 58, calling particular attention to United States Exhibit No. 58 to the rubber-stamp signature, "Edwin Chapman." I ask you to examine and compare these two documents, and state whether or not in your opinion the person who wrote United States Exhibit No. 1 is the same person who wrote the signature, "Edwin Chapman" on the other exhibit to which I have called your attention?

A. I have seen these exemplars. I will state that this rubber stamp is a copy from a photo-engraving made from the original pen signature; that is to say, it is made photographically, not by wood engraving. I would say that the person who wrote this exhibit shown

(Testimony of Theodore Kytka.)

to me wrote the signature from which the rubber stamp was molded.

Cross-examination.

Mr. HART.—Q. You did not see the original from which the rubber stamp was made?

A. No, sir; except this imprint.

Q. To what extent have you examined the signatures?

A. Very thoroughly. A minute analysis.

Q. Under a glass?

A. Yes, sir. I photographed also the signature. I made a thorough examination in detail.

Q. Have you got the photographs there?

A. Yes, sir; I have one copy.

Q. Let me take a look at them?

A. This photograph I used only for my memorandum in my studies (producing).

Q. Have you the other?

A. These are my studies.

Q. This is the photograph here that you made (pointing)?

A. Yes, sir.

Q. With what sort of an instrument did you make that photograph?

A. With the famous Fair Estate lens.

Q. What was the size of the machine that you took that photograph with?

A. Twenty-four inches. The distance between the image and the lens, or between the document and the lens, was 24 inches.

(Testimony of Theodore Kytka.)

Q. In making a photograph of a signature in that manner, is it not a fact that a great deal will depend on the angle at which the machine is held, and the copy-board which the signature is also laid on?

A. Yes, sir.

Q. Tell us in what shape you take these; in other words, was the top and bottom at right angles with the top and bottom of the plate?

A. Absolutely parallel.

Q. And also absolutely upright?

A. Absolutely upright.

Q. Both horizontally and perpendicularly?

A. I would say that the negative was at an angle of 90 degrees, and the copy-board was at an angle of 90 degrees.

Q. I have here a little paper that you made in pencil?

A. Yes, sir; those are my memoranda while I made my studies from the original.

Q. When did you make your study from the original as compared with this pencil memorandum?

A. I think it was last Saturday morning.

Q. Who was present when you made it?

A. The United States District Attorney and Mr. O'Connel.

CHRISTINE JORGENSEN, recalled for further examination.

(Testimony of Christine Jorgensen.)

Mr. McKINLEY.—Q. You have already testified as to the time which you were employed in Mr. Rumble's office? A. Yes, sir.

Q. You state that you are still employed there?

A. Yes, sir.

Q. I will ask you whether or not during any of the time you have been employed there, you ever saw a meeting of the Board of Directors of the Sunset Mining Company?

A. No, sir, I have not seen any meeting.

Q. Miss Jorgensen, was it one of your duties, as laid down by Mr. Rumble, to send out circulars, letters, pamphlets, etc., through the United States mails to various persons on business of the Sunset Mining Company?

Mr. HART.—We object to the question on the ground that there is no charge in the indictment of circulating or mailing any circular whatever.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

A. I assisted the stenographer in sending them out.

Mr. McKINLEY.—Was it also one of your duties to mail the dividend checks to investors?

Mr. HART.—We object to the question on the same ground as to the last preceding question.

The COURT.—I overrule the objection.

(Testimony of Christine Jorgensen.)

Mr. HART.—We will take an exception.

A. No, sir; the work did not lie with me exactly. The stenographer and myself mailed the dividends.

Q. Did you enter those dividend checks as you made them out in the stock-book?

A. Into the stock-ledger.

Q. Did you ever transfer any of those dividend checks, or the payments represented by those individual checks, into any books of account?

A. Into the stock-ledger. That is all that I ever kept.

Q. You never kept any books of account there?

A. Only the stock-ledger.

Q. I mean that, of course. I do not want to confuse you?

A. That is the only ledger.

Q. Did you ever see any books of account other than just that stock-ledger while you were there? Did you ever have anything to do with any books except that stock-ledger?

A. I did not.

Q. Did you ever see any books of account to the best of your knowledge with the exception of the stock ledger?

A. Well, no, not that I had anything to do with. What books Mr. Rumble had in his office, I don't know.

Q. I understand you now to say that you kept that stock-ledger?

A. I did.

Q. Was there any stock entered in that stock-ledger in the name of George W. Rumble?



(Testimony of Christine Jorgensen.)

A. Not that I remember of.

Q. Was there any stock in that stock-ledger entered in the name of Ira Pease?

A. Not that I remember.

Q. Was there any stock upon that stock-ledger entered in the name of Frank Rogers?

A. Not that I remember.

Q. Was there any stock entered upon that stock-ledger in the name of Henry Armstrong?

A. Not that I remember.

Q. Now, whom would you consult before sending out dividends to investors each month as to who should receive the dividends and to whom they should be sent? Did Mr. Rumble say anything to you about the persons to whom these dividends were to be sent each month? Did he give you directions as to the persons to whom they were to be sent?

A. If they were entered as paid on the ledger, they would certainly get their dividends.

Q. You may not understand me: Did Mr. Rumble give you directions each month as to the persons to whom the dividends would be sent?

A. No, sir; whatever stock was paid for in the ledger, they got their dividends.

Q. If there was such a thing as a doubt, to whom would you apply for directions in that regard?

A. I suppose, if there was any doubt in regard to anything, I would inquire of Mr. Rumble.

## (Testimony of Christine Jorgensen.)

Q. As a matter of fact, Miss Jorgensen, were there not people's names entered on that stock ledger who did not get dividends. Were there not some who did not get dividends regularly?

A. On the stock ledger?

Q. Yes?           A. No, sir.

Q. Did you ever pay any dividend to Mrs. Haile?

A. I think so.

Q. How much was it?           A. I do not remember.

Q. Did Mrs. Haile get any dividend in the month of January, 1903, when she left the employ of Mr. Rumble?

A. If I remember correctly, I may have seen the name of Mrs. Haile; I don't remember whether it was Mrs. Haile or just what the initials were.

Q. You heard Mrs. Haile's testimony regarding the stock that she owned?

A. There was a party but I don't know if it was Mrs. Haile, or simply Haile, or C. J. Haile, I don't remember how—I can't state. Mr. Rumble paid her two dollars in greenbacks every month. She resided in Vacaville. No checks were sent to Haile in Vacaville.

Q. Was any check sent to that Haile after Mrs. Haile left the employ of Mr. Rumble?

A. I came to the office in February, and Mr. Rumble always paid the two dollars to Mrs. Haile. The book was marked "Don't send check, but send greenback," and that was always sent.

Q. You did not always send that yourself?

(Testimony of Christine Jorgensen.)

A. No, I believe Mr. Rumble attended to that.

Q. And you did not send anything except what Mr. Rumble told you?      A. No, sir.

Q. You don't know anything about it yourself, Miss Jorgensen, whether or not it was sent?

A. I do not.

Q. Miss Jorgensen, you were one of the incorporators of the Alliance Bank?      A. I was.

Q. Did you get any stock?

A. Why no, I don't think the bank was ever opened for business.

Q. Your name was down for two shares of stock, but you did not get any stock?      A. Yes, sir.

Q. Did you know a Miss Berry, one of the subscribers to that Alliance Bank stock?      A. I did know her.

Q. Who was she?

A. Miss Berry was a stenographer.

Q. Stenographer in the office?      A. Yes, sir.

Q. She is dead?      A. Yes, sir.

Q. Your name is C. Jorgensen. Who is M. F. Rumble?      A. I do not know.

Q. Was not M. F. Rumble a subscriber to the amount of \$20,000 to that bank stock?

A. That I don't know anything about the rest of it.

Q. As a matter of fact is not M. F. Rumble the wife of George W. Rumble?

A. I do not know Mrs. Rumble's initials.

(Testimony of Christine Jorgensen.)

Q. Was not Mrs. Rumble one of the subscribers to that capital stock?      A. I do not know.

Q. Do you know J. C. Anthony?      A. I do not.

Q. What room was that that you occupied there in the Chronicle Building, Miss Jorgensen, 58?

A. Yes, I think 58 was the working-room.

Q. That was the room upon which the Alliance Bank sign was printed on the door?

A. Yes, sir, the Sunset Mining Company's name was on the other door.

Q. That was the office or supposed to be the office of the Alliance Bank?

A. The name was on the door, but that door was always closed, and if I remember right there was a hand pointing to the other door.

Mr. McKINLEY.—Q. Did you ever see Edwin Chapman in that bank in that room in those premises?

A. Not that I know of. A great many people came in that I would not know.

Q. You do not know Edwin Chapman?

A. I never met him.

Mr. HART.—Q. You spoke about keeping the stock ledger?      A. Yes, sir.

Q. Do you know where that book is?

A. I do not.

Q. When did you last see it?

A. That was some time ago.

Q. About how long ago, Miss Jorgensen?

(Testimony of Christine Jorgensen.)

A. Well, the latter part of last year.

Q. Where was it that you last saw it?

A. In the office.

Q. That was the only book that you kept?

A. Yes, sir.

Q. The stock ledger?      A. Yes, sir.

Q. How long have you kept that book?

A. Since February of last year, when I came into the office. That was my duty when I came there.

Q. And you say the dividend was paid to all stockholders mentioned in that book?

A. All paid certificates.

Q. You spoke of the stock of C. J. Haile, and about Mr. Rumble having remitted that in greenbacks, if it was remitted at all. Were those remittances entered in that stock book?      A. Yes, sir, they were.

Q. All entered as paid?      A. As paid.

Q. Do you remember the month that the last dividend was paid, and if so, what month?

A. I believe it was September, which was the last dividend.

Q. 1903?      A. Yes, sir.

Q. Now, were there other books in the office besides the stock ledger that you were keeping?

A. There were books there but no books that I kept.

Q. There were books there?

A. There were books on the shelf that I never used.

Q. As to what they contained, you do not know?

(Testimony of Christine Jorgensen.)

A. I never pry in anything that does not concern me.

Q. You know about Mr. Rumble keeping some books in the desk or anywhere else?

A. I know he has kept books in his desk; I saw them there.

Q. Do you know this gentleman who sits next to me?

A. I do.

Q. When did you first become acquainted with him?

Mr. McKINLEY.—I object to this. I don't know what it will lead to, and it is not proper cross-examination.

The COURT.—I sustain the objection.

Mr. HART.—Q. Is it not a fact that Mr. James O'Connell, postoffice inspector, came to the office of Mr. Rumble while he was absent and took therefrom in your presence certain papers and books?

A. He took circulars, but not any books that I remember.

Q. Did he take any copies from the books?

A. Yes, sir.

Q. Do you remember when that was?

The COURT.—Now, this is not proper cross-examination. The District Attorney does not seem to be objecting.

Mr. McKINLEY.—I am not.

THOMAS B. UPTON, called for the Government, sworn, testified as follows:

Mr. McKINLEY.—Q. Mr. Upton, you reside in San Francisco? A. Yes, sir.

Q. And you are a printer? A. Yes, sir.

Q. Connected with which firm?

A. Upton Brothers.

Q. How long have you been engaged in the printing business? A. About 25 years.

Q. Do you know the defendant, George W. Rumble?

A. I do.

Q. You have done printing for the Sunset Mining Company of this city, at the order of Mr. Rumble?

A. I have.

Q. Have you printed any circulars for him?

A. I printed several circulars for him, also other work—stock certificates.

Q. While you are on the stock certificate subject, Mr. Upton, I show you a blank stock certificate of the Sunset Mining Company. It has no number upon it. There is none like it in the record, and I ask you whether that is one of the stock certificates you printed for Mr. Rumble, at Mr. Rumble's order, for the Sunset Mining Company?

A. It is a sample of one that I printed for him.

Q. And you printed them in exactly that form?

A. That is a sample of it.

Mr. McKINLEY.—I offer the blank stock certificate in evidence.

(Testimony of Thomas B. Upton.)

Cross-examination.

Mr. HART.—Q. Mr. Upton, was that signature, “G. W. Rumble” there in what you printed?

A. Yes, sir.

Q. You are sure of it; just like that?

A. That was a printed signature, not written—printed from a cut.

Q. How many of these did you print?

A. As near as I can recollect, I think the last order was one thousand.

Q. When was the first order?

A. That I believe is the last order I did for Mr. Rumble.

Q. That was the last?           A. The last printing.

Q. When was that?

A. I believe I have it here (referring to certificate), June 14, 1901.

Q. You tell by this here. (Pointing to certificate)?

A. Yes, sir, that is my memorandum.

Q. You are sure that is a printed signature, are you?

A. Yes, sir, I am positive.

Mr. McKINLEY.—Q. In fact, both signatures are printed, are they not, Mr. Upton?

A. Both.

Mr. HART.—Q. Now, Mr. Upton, when you printed a lot, other than this—I am not speaking of this—when you printed them to put them in the books, were not



(Testimony of Thomas B. Upton.)

the signatures of the secretary and of president left out?

A. I have no recollection of it. It was printed just like that.

Q. It was submitted to Mr. Rumble?

A. No, sir, that is the sample I had in my office, which I kept.

Q. You had to show him a proof?

A. I don't know that a proof was shown. It was a reprint job.

Q. Is it not a fact, when you came to print up the certificates, to put them in the books that those signatures were eliminated?

A. It may be; I do not know.

Q. Is it not a fact that you have no recollection either way?

A. I came by that sample, which is a true sample, and a correct sample, in my business.

Q. When you came to put them in the books, you don't know whether it was left in or not?

A. I do not think so.

A JUROR.—You mean that is a reprint from one given you, and that you had printed from it?

A. I mean we had printed the same thing before.

(The certificate is marked "United States Exhibit No. 60.")

The following is a copy of said certificate, being United States Exhibit No. 60:

(Testimony of Thomas B. Upton.)

**United States Exhibit No. 60.**

Capital:	10,000,000	Dollars.
10,000,000 shares.		\$100 each.
Number.		Shares.

**SUNSET MINING COMPANY.**

Incorporated San Francisco, Cal., March 26, 1900.

This certifies that \_\_\_\_\_ is entitled to \_\_\_\_\_ shares, of the capital stock of the Sunset Mining Company.

Transferable on the books of the Company by endorsement hereon and surrender of this certificate.

G. W. RUMBLE,  
Secretary.

K. E. ALLINGTON,  
President.

Mr. McKINLEY.—Q. I now show you, Mr. Upton, certificate No. 792 of the Sunset Mining Company, which is a part of United States Exhibit No. 29 and call your attention to the signatures "G. W. Rumble" and "K. E. Allington" at the bottom of that certificate, and ask you to state whether or not those signatures are both printed?

A. I should pronounce it printed. I will add that one is printed and one is written.

Q. 792 is printed? A. Yes, sir.

Q. 861 is not? A. That is written.

Mr. HART.—That is Exhibit No. 29.

Q. Did you lithograph those last two shown you?

A. No, sir, I did not.

(Testimony of Thomas B. Upton.)

Q. You do not know who printed them?

A. I do not see any name. I think it is not my type.

Q. Not your type?           A. Not my type.

Mr. McKINLEY.—I desire to introduce in evidence, a copy of the Articles of Incorporation of the Sunset Mining Company dated March 22, 1900, and duly certified by the Secretary of State of the State of California, under the seal of the State, and ask that they be marked.

Mr. HART.—We object to this, if your Honor please, on the ground that it is irrelevant, immaterial and incompetent.

The COURT.—Overruled.

Mr. HART.—Exception.

“ARTICLES OF INCORPORATION.

of the

SUNSET MINING COMPANY.

Know all men by these presents: that we, the undersigned, a majority of whom are citizens and residents of the State of California, have this day voluntarily associated ourselves together for the purpose of forming a Corporation under the laws of the State of California.

And we hereby certify, First: that the name of said corporation shall be the

(Testimony of Thomas B. Upton.)

SUNSET MINING COMPANY.

Second: That the purposes for which it is formed are to do a general mining business, also to develop, buy and sell mines anywhere in the United States or elsewhere; also to transact any and every business which appertains to mining in any locality.

Third: That the place where the principal business of said corporation is to be transacted is San Francisco, California.

Fourth: That the time for which said corporation is to exist is fifty years from and after the date of its incorporation.

Fifth: That the number of Directors or Trustees of said corporation shall be five and that the names and residences of the Directors or Trustees who are appointed for the first year and to serve until the election and qualification of such officers, are as follows, to wit:

Names:	Whose residence is at
Frank J. Baker.....	San Francisco, Cala.
G. W. Rumble.....	San Francisco, Cala.
G. S. Jordan.....	San Francisco, Cala.
H. M. Johns.....	San Francisco, Cala.
M. F. Rumble.....	San Francisco, Cala.

Sixth: That the amount of Capital Stock of said corporation is Ten Million Dollars, and the number of shares into which it is divided is Ten Million of the par value of One Dollar each.

(Testimony of Thomas B. Upton.)

Seventh: That the amount of said capital stock which has been actually subscribed is Three Million Dollars, and the following are the names of the persons by whom the same has been subscribed, to wit:

Names of Subscribers.	No of Shares.	Amount.
(Mrs.) K. E. Allington.....	1,500,000	\$1,500,000
G. W. Rumble.....	1,500,000	\$1,500,000

In witness whereof, we have hereunto set our hands and seal this 22d day of March, A. D. 1900.

FRANK J. BAKER. [Seal]

G. W. RUMBLE. [Seal]

G. S. JORDAN. [Seal]

H. M. JOHNS. [Seal]

M. F. RUMBLE. [Seal]

Signed and sealed in the presence of

JAMES MASON.

The Articles of Incorporation were duly acknowledged before James Mason, a notary public in and for the City and county of San Francisco, March 22, 1900, duly filed in the office of the county clerk of the city and county of San Francisco, on March 23, 1900, and duly filed in the office of the Secretary of State of the State of California, on March 26, 1900.

A copy of said articles of incorporation was duly certified by the county clerk of the city and county of San Francisco, for filing in the office of the Secretary of State, and the certificate of the Secretary of State to the copy admitted in evidence is in due and proper form of law.

T. K. WILLIAMS, called for the Government, sworn:

Mr. McKINLEY.—Mr. Williams, where do you reside?

A. In Oroville, about four miles from Oroville.

Q. What is your business, Mr. Williams?

A. Miner.

Q. How long have you been a miner?

A. I have been a miner about 23 years.

Q. You had considerable experience then, as a practical miner?      A. Yes, sir.

Q. Have you ever worked in the Old Glory mine?

A. Yes, sir.

Q. You know the defendant then, George W. Rumble?

A. I do.

Q. How long did you work in the Old Glory mine?

A. I think I worked there about a year and a half.

Q. Steadily?

A. I worked up there until they shut down.

Q. Beginning at what period; when did you begin working there?

A. I don't remember exactly when I did start there—I don't know; about a year and a half.

Q. About a year and a half?      A. Yes, sir.

Q. I say, can you give us the year in which you started?

A. I think it was in 1902.

Q. You worked there about a year and a half?

A. Yes, sir.

Q. Now, you worked there steadily during that time?

A. Yes, sir, I worked steadily.

(Testimony of T. K. Williams.)

Q. You were employed then in working on the faces and the breasts of the mine?

A. I was running gangways most of the time—tunnels.

Q. You observed the work in the breast and faces?

A. Sometimes I was working in the breast and sometimes in the gangways.

Q. Did you ever see any free gold in the faces of the breasts?      A. Yes, sir.

Q. Did you see any chunks of free gold there?

A. Yes, sir, I saw some chunks there.

Q. How many and how often?

A. I didn't see them very often. When a man is working by candle-light he can't see much.

Q. How often did you it?

A. I seen it several times.

Q. In your opinion, Mr. Williams, how much would that gravel go to the ton?

Mr. HART.—I object to that unless he shows a little more conversance with the gravel, and he has not shown that the witness is competent.

The COURT.—Examine the witness further, Mr. McKinley, as to his competency.

Mr. McKINLEY.—Q. You have had thirty years' experience as a miner?      A. About 23 years.

Q. Have you had occasion to estimate the value of mines during that time?

A. No, sir, that is a hard thing for a man to do. A man don't know what is under the ground.

(Testimony of T. K. Williams.)

Q. You could not tell anything about that?

A. No, sir.

Q. During any of the time that you were in employ there, in the Old Glory mine, was there any such thing as a strike among the laborers employed at that mine?

Mr. COTTON.—We object to that interrogatory as calling for irrelevant testimony.

The COURT.—The objection will be overruled.

Mr. COTTON.—Exception.

Mr. McKINLEY.—Q. Was there ever any strike?

A. Not that I know of.

Q. There was no strike?

A. They kicked a lot of times about their meals, about the grub; that is all I know of.

Q. They did not go on a strike, did they?

A. No, sir.

Q. There was never anything of that sort, was there?

A. No, sir.

#### Cross-examination.

Mr. HART.—Q. How did you work there at that mine? What was the last work you did there, the last month?

A. I was running a tunnel there last. I think it was in the breast.

Q. What month?

A. I am sure I cannot tell. It was shut down, and I quit there when it was shut down.

Q. You quit there when it was shut down?



(Testimony of T. K. Williams.)

A. Yes, sir.

Q. Do you keep a little book and make memorandum to show what time you worked?

A. No, sir, I do not.

Q. You say you had trouble there about the grub?

A. No, sir, but others did. I am a married man, and went home for my food.

Q. But the others had trouble?           A. Yes, sir.

Q. About how many worked there in the mine while you were there?

A. Thirteen or fourteen or fifteen.

Q. Under whom did you work?

A. I worked under Mr. Pease.

Q. The mine where you worked is known as Old Glory?

A. Yes, sir.

Q. You say you have seen gold, while working in the face of the drift?           A. In the breast.

Q. How large was the largest piece of gold you saw?

A. I should judge it was about thirty or forty dollars.

Q. You did see pieces of thirty or forty dollars?

A. I did.

Q. How often did you see pieces that large?

A. Only once or twice.

Q. Did you see any smaller than that?

A. Yes, sir. I saw smaller ones.

Q. How often did you see those?

A. I didn't see them very often.

(Testimony of T. K. Williams.)

Q. You consider gravel very rich when you see gold in it?      A. Yes, sir.

Q. Then you consider that a very rich mine?

A. Yes, sir.

Mr. McKINLEY.—We object to that as the witness has already testified that he did not know anything about that.

IRA A. PEASE, called for the Government, sworn.

Mr. McKINLEY.—Q. Mr. Pease, where do you live?

A. I live about five miles outside of Oroville.

Q. How long have you resided there?

A. Four years.

Q. What is your present occupation?

A. A miner.

Q. With whom are you at present engaged?

A. Mr. Rumble.

Q. At what mine?      A. Old Glory.

Q. That is the Old Glory which is located at Oroville, Butte County, California, or near there?

A. Yes, sir.

Q. How long have you been engaged with Mr. Rumble at the Old Glory?

A. Four years. Not at the Old Glory; I have been there since 1901, July.

Q. What is your official position with the Sunset Mining Company?      A. Superintendent.

Q. Superintendent of the mine?      A. Yes, sir.

(Testimony of Ira A. Pease.)

Q. Are you also timekeeper?           A. Yes, sir.

Q. Timekeeper and superintendent. Are you also President of the Sunset Mining Company??

A. Yes, sir.

Q. What knowledge have you that you are president of the Sunset Mining Company?

A. Mr. Rumble was up to see me one day, and he said: "I would like to use your name as president." He said that the former president had resigned.

Q. Did you ever perform any official act as president?

A. No, sir.

Q. Did you ever sign a stock certificate as president?

A. No, sir.

Q. Did you ever preside over a meeting of the Board of Directors as president?           A. No, sir.

Q. Did you ever see a stock certificate of the Sunset Mining Company, in your life, Mr. Pease?

A. In my life, yes, sir.

Q. When did you first see one? How long ago did you first see one?           A. A couple of months.

Q. It is a couple of months since the first time you ever saw one?           A. Yes, sir.

Q. And you never were present at any meeting of the Board of Directors?           A. No, sir.

Q. Did you ever call a meeting?           A. No, sir.

Q. Did you ever know of a meeting of the Board of Directors being held?           A. No, sir, I did not.

(Testimony of Ira A. Pease.)

Q. How often have you visited San Francisco during the time you were employed in the Old Glory mine?

A. Two or three times, something like that.

Q. Did you transact any official business with reference to the Sunset Mining Company on either of those visits?

A. No, sir.

Q. Did Mr. Rumble, as Secretary or Manager, ever consult you as to the action to be taken by the company, any official action to be taken by the company?

A. No, sir.

Q. Did you own any stock in the Sunset Mining Company, to your knowledge, during that time?

A. I do not know, at that time; I am supposed to own some now.

Q. You never received any dividends from the stock?

A. No, sir.

Q. And you never knew that you owned any?

A. No, sir.

Q. Now, who was it that gave you all your instructions, as to the working of the mine in your capacity as superintendent?

A. I got my instructions from Mr. Rumble, when he was there.

Q. And otherwise, did you receive them by letter from him, when he was not there?

A. I do not think so.

Q. When Mr. Rumble was there, he always gave you instructions?

(Testimony of Ira A. Pease.)

A. When there was any particular thing he wanted done.

Q. Under whose instructions was the work at the mine prosecuted?      A. Under mine.

Q. And you, as I understand you, were under the direction of Mr. Rumble?      A. Yes, sir.

Q. How long has Mr. Rumble been operating the Old Glory mine?

A. Well, I went there in July, 1901, the first time and it shut down in September.

Q. Did you ever take visitors down and show them about the mine?      A. I have, yes, sir.

Q. Who generally did that?

A. Mr. Rumble, when he was there.

Q. Who generally performed the work of the clean-ups?      A. Myself and Mr. Rumble.

Q. Together?      A. Yes, sir.

Q. Now, Mr. Pease, will you tell us just the circumstances under which you were employed by Mr. Rumble, and under which you first met him?

A. I lived East, and he came there where I was, and asked me if I would go to work for him, and I made a bargain with him.

Q. Did he tell you what the work was, that was to be done?      A. Yes, sir.

Q. What did he say?

A. He said he was going to operate some mines, and pay 2% dividends.

(Testimony of Ira A. Pease.)

Q. That was when?           A. That was about 1900.

Q. 1900?           A. February, 1900.

Q. Where was it that you had this meeting with him  
Mr. Pease?           A. That was in Indiana.

Q. Where in Indiana, do you remember?

A. I was superintendent of a hunting club there on the  
Kankakee River.

Q. And he came to you there and had this conversa-  
tion with you. When did you first go to work?

A. On the "Amo."

Q. When did you start in on the Amo?

A. I started there about April 15.

The COURT.—What year?           A. 1900.

Mr. McKINLEY.—Q. Do you know the piece of prop-  
erty known as the Hewitt tract?           A. Yes, sir.

Q. That adjoins the Amo property?

A. It is called the "Amo."

Mr. HART.—The Hewitt tract is called the Amo?

A. Yes, sir.

Mr. McKINLEY.—Q. The Hewitt tract is called the  
Amo, is it?           A. That is the way I understood it.

Q. Who paid you your salary, Mr. Pease?

A. Mr. Rumble.

Q. What was the rate of compensation, if I may ask  
you?

A. One hundred and twenty-five dollars a month.

Q. And board?           A. And board.

Q. How has your salary been paid, by check or cash?

(Testimony of Ira A. Pease.)

A. Both ways.

Q. How was it usually paid?

A. It is about even up, I guess.

Q. What would you say, Mr. Pease, was the average daily expenses of operating the Old Glory mine?

A. Very close on to \$50.

Q. That includes only the expenses of the mine proper?      A. Yes, sir.

Q. And does not include office expenses in San Francisco and your wages?

A. My wages are included in that.

Q. But all those other things should be added to the expenses?      A. Yes, sir.

Q. How many are employed there?

A. About fifteen; generally; that is about the number.

Q. That is about \$50 a day?      A. Yes, sir.

Q. And how many days on an average did they work in a week?      A. Six.

Q. Six days in a week?      A. Yes, sir.

Q. That would be about 300 days in a year?

A. Some days we didn't work when there was a break-down or something.

Cross-examination.

Mr. HART.—Q. Mr. Pease, how long have you known Mr. Rumble?      A. About twenty years.

Q. Where did you first become acquainted with him?

A. Down at the Club House.

Q. Where at?      A. In Indiana.

(Testimony of Ira A. Pease.)

Q. At what place?

A. There is really no station there—a place called Davis, a hunting place, a shooting place.

Q. Was your acquaintance with him continuous from that time on?

A. To some extent; he used to come to the club.

Q. And then you came from there to California in 1900?

A. Yes, sir.

Q. You came here, you say, about February or March?

A. April, I came here.

Q. Did you not commence work as soon as you arrived?

A. Yes, sir.

Q. As superintendent of this property?

A. Yes, sir.

Q. On what property did you first work, you say?

A. On the "Amo" mine.

Q. The "Amo" Hydraulic mine?

A. Yes, sir.

Q. There are two mines there, the "Amo" and the "Amo" Hydraulic?

A. Yes, sir.

Q. How many acres are there in the property called the "Amo" mine?

A. Eighty acres.

Q. That is known as the Hewitt property?

A. I think it was.

Q. That is the "Amo" Hydraulic mine, and the other is known as the "Amo"?

A. Yes, sir.

Q. How many acres in that?

A. Twenty.

Q. When you quit work on the "Amo" mine, where did you work?

A. I worked in the "Old Glory."



(Testimony of Ira A. Pease.)

Q. How soon after you quit work on the "Amo"?

A. It was about three or four months; we wasn't working.

Q. You commenced working at what time on the "Old Glory"?      A. We commenced on July 1st.

Q. Of what year?      A. 1901.

Q. And worked there up to what time?

A. September 22, 1903.

Q. Was it shut down at that time?

A. We shut down at that time, yes, sir.

Q. For what reason?

A. One reason was water. We had no water in the ditch.

Q. What other reason?

A. Well, I don't know any particular reason. I can't give any.

Q. You don't know any particular reason?

A. No.

Q. And what have you done with the property since?

A. I have taken care of it; kept the water out of the mine.

Q. But it has not been worked?      A. No, sir.

Mr. McKINLEY.—Q. Do you know a person by the name of Frank Rogers, connected with the Sunset Mining Company?      A. I do not.

Q. Or Henry Armstrong, connected with the Sunset Mining Company?      A. No, sir.

Q. Do you know of any strike in the "Old Glory"?

(Testimony of Ira A. Pease.)

mine, during any of the time that you were there, labor trouble of any kind or description?

Mr. COTTON.—We object to that as irrelevant.

The COURT.—Overruled.

Mr. COTTON.—Exception.

A. I do not.

GEORGE W. HOLT, called for the Government, sworn.

Mr. McKINLEY.—Q. Mr. Holt, where do you reside?

A. San Francisco.

Q. What is your business?

A. A clerk in the employ of the Postal Telegraph Company.

Q. How long have you been in the employ of the Postal Telegraph Company? A. Thirteen years.

Q. I will show you five telegrams bearing the signature "G. W. Rumble"—not all of them that—four of them bearing the signature, "G. W. Rumble," and one the word, "stenographer," and ask you to state whether or not those are original telegrams filed for transmission at your office in San Francisco? A. They are.

Mr. HART.—These telegrams, if your Honor please—two of them purport to be telegrams from G. W. Rumble to John Bull, Jr., and three purport to be telegrams—or two purport to be telegrams signed by "G. W. Rumble" to Smith & Bull, and one signed "Stenographer" to Smith & Bull. One is dated June 30, 1902;

(Testimony of George W. Holt.)

one July 1, 1903; one August 4, 1903; one without date, but stamped "September 24, 1903"; and one October 8, 1903; and we object to these on the ground that—to each, that the same is immaterial, irrelevant and incompetent and on the further ground that they are not referred to or mentioned in the indictment, no telegrams being referred to, and we object to that of October 8, 1903, and September 24, 1903, specially, and on the further ground that each of them is dated and if sent, was sent after Smith & Bull had purchased all the stock they did purchase, and that the same is immaterial, irrelevant and incompetent.

The COURT.—Let me see those telegrams. (Telegrams are handed to the Court.)

Mr. HART.—And it is not shown that they are in the handwriting of Mr. Rumble.

The COURT (Addressing Witness).—Who passed you these?

A. I cannot say who filed them.

Q. You do not know who filed them?

A. No, sir.

The COURT.—You have not laid the foundation for the introduction of those telegrams. The objection is made that they are not in the handwriting of the defendant.

Mr. HART.—And not identified.

Mr. McKINLEY.—I will try to make that proof at the proper time.

Friday, May 13, 1904.

THOMAS M. BRAITHWAITE, recalled.

Mr. McKINLEY.—Q. Do you know the signature of G. W. Rumble?

A. Yes, sir, I am acquainted with it.

Q. Have you paid checks, and have you seen it on checks payable at your bank?      A. Yes, sir.

Q. A large number of them?

A. Yes, sir, quite a considerable number.

Q. You are perfectly familiar with his signature?

A. Yes, sir.

Q. That being the case, I will ask you to look at four certain telegrams, the first dated September 24, 1903, the second dated August 4, 1903, the third dated August 1, 1903, and the fourth dated June 30, 1903, and state whether or not the handwriting upon those telegrams and the signature "G. W. Rumble" is in the handwriting of G. W. Rumble.

Mr. HART.—We object to this question on the ground that it is incompetent, immaterial and irrelevant, and on the further ground that the witness has not shown himself sufficiently qualified to testify as to the genuine writing of Mr. Rumble.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

A. In my opinion those were written by Mr. Rumble.

(Testimony of Thomas M. Braithwaite.)

Mr. McKINLEY.—I offer the telegrams in evidence. I have already established their filing in the office at San Francisco.

Mr. HART.—I object to the introduction of each of these telegrams on the ground that the same is immaterial, irrelevant and incompetent; on the further ground that the signature of Mr. Rumble thereto has not been sufficiently proven; third, it is not shown they were transmitted. It is not shown they were received by Mr. Bull, Smith & Bull, or Mr. Smith; and on the further ground, there is no claim that they passed through the mail, or the postoffice establishment of the United States; and on the further ground, there is no allegation in the third count of the indictment referring to representation made by telegrams.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

Mr. McKINLEY.—(Reading:)

**United States Exhibit No. 62.**

San Francisco, September 24th, 1903.

129 Time filed 1:50 P. M.

Smith and Bull, Realty Building, Elmira, N. Y.

Been mine. Not working. Labor trouble; return today. Think you had better stop.

G. W. RUMBLE.

(Testimony of Thomas M. Braithwaite.)

Aug. 4, 1903.

Smith & Bull, Realty Building, Elmira, N. Y.

Total for July, 403 ounces.

G. W. RUMBLE.

July 1, 1903.

John Bull, Jr., Elmira, N. Y.

The sluice-box and the ground sluice clean-ups were all merged together.

G. W. RUMBLE.

June 30, 1903.

John Bull, Jr., Elmira, N. Y.

June total ounces 361. Fifty from ground sluice cleaned annually.

G. W. RUMBLE.

(The four telegrams are marked "United States Exhibit No. 62.")

Q. I now call your attention, Mr. Braithwaite, to "United States Exhibit No. 1," being a handwritten letter of two pages, signed "G. W. Rumble," and the envelope with the handwriting on it "Smith & Bull, Realty Building, Elmira, New York," and ask you to look at that and state whether or not, in your opinion, those are the signature and handwriting of G. W. Rumble (handing)?

Mr. HART.—We object to the question on the ground that it has not been shown that the witness is conversant sufficiently with the genuine handwriting of Mr. Rumble to testify to it.

(Testimony of Thomas M. Braithwaite.)

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

A. That, in my opinion, is the handwriting of Mr. Rumble.

Mr. McKINLEY.—Q. Does your answer also apply to the writing on the envelope?      A. Yes, sir.

GEORGE W. HOLT, recalled for the United States.

Mr. McKINLEY.—Q. Mr. Holt, I show you these telegrams to which I called your attention yesterday afternoon, now marked as "United States Exhibit No. 62," which you stated were filed for transmission at the office of the Postal Telegraph Cable Company by Mr. Rumble, the defendant, and ask you to state whether or not those telegrams were transmitted to the parties to whom they were addressed by the Postal Telegraph Company?

Mr. HART.—We object to the question as immaterial, irrelevant and incompetent.

A. They bear the marks of having been transmitted by our company.

Cross-examination.

Mr. HART.—Q. Did you transmit these yourself?

A. No, sir.

Q. All you know about it is on account of the mark?

A. Yes, sir.

Q. And from that you would say that each of these were transmitted?

(Testimony of George W. Holt.)

A. I say that it would indicate that they were transmitted—the marking would indicate.

Q. What is the custom in that office—do you transmit them before you stamp them, or stamp them before you transmit them?

A. There may be one stamp over the markings, or near the marking, that is put on after they are transmitted. All the other marks are on before. The transmitting marks are the last marks put on.

Q. What does "INS." mean?

A. In what way is it used?

Q. I don't know. You are the doctor.

The COURT.—Let the witness look at it.

Mr. HART.—He ought to know what it is without showing it to him.

A. "INS." in the stamp means "Inspected."

Q. What does "2" mean?

A. The number of the clerk that inspected it. They go by numbers.

Q. Can you state when that was inserted on that telegram? A. It is customary—

Q. I did not ask about the custom?

A. I cannot say when it was put on.

Q. Would you say the same as to the next stamp?

A. I would say the same as to the next stamp.

Q. As to the third, I do not find any so-called inspection stamp on it. Is there one? If not, why not?

A. It bears an inspection stamp.



(Testimony of George W. Holt.)

Q. Which is it?           A. "Inspected 1."

Q. It is written there?

A. No, sir, here is the stamp (pointing).

Q. I see. Your answer, as to each of these inspection stamps would be the same, that you do not know of your own knowledge as to when they were placed there?

A. Of my own knowledge, I do not.

Q. Is this what you mean by the stamp? Perhaps you can read it. I cannot.

A. "San Francisco, September 24, 1903, M. C." That is the stamp of the receiver who took the message over the counter.

Q. That is so as to all of those telegrams?

A. Yes, sir, where that appears.

Q. Where is there any stamp there that you say would show that it was actually sent?

A. Right here (pointing) in each case.

Q. The pencil mark?

A. Yes, sir, the markings of the sending operator.

Q. You did not make any of those?

A. I did not. Let me see for sure. (After examination.) No, I did not.

Q. All you can say about it is, what you say from custom?           A. Yes, sir.

Mr. HART.—Now, if your Honor please, we move to strike out each of these telegrams marked "United States Exhibit 62," on the ground that it has not been proven or shown that they were actually sent, and

(Testimony of George W. Holt.)

therefore the same is immaterial, irrelevant and incompetent.

The COURT.—I do not pass on the question whether there is any proof that they have been sent or not, but the motion to strike out the telegrams will be denied.

Mr. HART.—We will take an exception.

H. B. GUTCHEs, called for the United States, sworn, testified as follows:

Mr. McKINLEY.—Q. Where do you reside?

A. New York City.

Q. What is your business? A. Broker.

Q. How long have you been engaged in business as a broker? A. Three years.

Q. With what firm? A. Emerson & Co.

Q. You are a member of that firm?

A. Yes, sir.

Q. Did you ever have any correspondence or communications through the medium of the United States mail with George W. Rumble, with reference to the business of the Sunset Mining Company? A. Yes, sir.

Q. When did you begin that correspondence, as near as you can recall approximately?

A. I began correspondence with Mr. Rumble about three years ago, or possibly a little longer, when I was employed by L. R. Beckley & Co., 50 Broadway, New York.

Q. Without delaying matters any longer, I will ask

(Testimony of H. B. Gutches.)

you to look at a circular upon the Sunset Mining Company's letter-head, dated October 2, 1901, the circular consisting of three printed pages, and ask you whether or not you received that circular through the United States mail from the defendant, George W. Rumble, in due course of mail, at New York?      A. I did.

Mr. McKINLEY.—I offer the circular in evidence.

Mr. HART.—Q. When did you receive it?

A. I got that when I was working for Beckley & Co., some time between the summer of 1901 and the fall—some time during the summer or early fall of 1902—no, 1901, probably the fall.

Q. Do you know that this is the identical paper that you got?      A. Yes, sir.

Q. You were then working for whom?

A. Working for Geckley & Co.

Q. Of Broadway, New York?      A. Yes, sir.

Q. How long did you continue to work there?

A. Up until November 15, 1901.

Q. And then you went into business with Emerson & Co.?

A. I constitute the firm of Emerson & Co., with Mr. Webster. We started business under that name.

Q. My question was, when you left this firm with whom you were doing business at the time of receiving this circular, or soon after, you then immediately organized the firm of Emerson & Co.?      A. Yes, sir.

(Testimony of H. B. Gutches.)

Q. And that consisted of yourself and Mr. Webster?

A. Yes, sir,

Q. You have continued in that firm ever since?

A. Yes, sir.

Q. At what place?

A. At 35 Nassau street, and later at 42 Broadway.

Q. New York City?           A. Yes, sir.

Q. And you are sure that you received this through the mail?           A. I know it.

Q. Have you got the envelope?           A. No, sir.

Q. What did you do with it?           A. Threw it away.

Q. Was that addressed to you personally or to the firm?

A. The correspondence was generally addressed to me personally.

Q. How about this one? (Pointing.)

A. To me personally.

Q. That is what I am asking about. I do not care about the balance. You received this, you think, in the fall of 1901?           A. Yes, sir.

Q. I notice that it is dated October 2, 1901. Was it after that or before?           A. After.

Mr. HART.—If your Honor please, we object to the introduction of this document on the ground that it is immaterial, irrelevant and incompetent; and on the further ground that it is not a circular mentioned or plead in the indictment, and is therefore immaterial and irrelevant.

(Testimony of H. B. Gutches.)

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

Mr. McKINLEY.—(Reading:)

**United States Exhibit No. 63.**

San Francisco, California, U. S. A.

October 2nd, 1901.

“Out here in California where the earth produces gold,  
“And nature has forgotten all the art of growing old.”

**A BUSINESS PROPOSITION**

First Incorporated 1889.

(Twelve Years Ago)

October, 1901.

**92 MONTHLY DIVIDENDS PAID.**

Yes, we paid the 92d monthly dividend of 2 per cent.  
October 1, 1901. We are operating several California  
gold mines.

We offer treasury stock, which receives 2 per cent.  
cash monthly dividends, to equip valuable properties.

Treasury stock means stock owned by and sold for the  
benefit of the entire company, and not by any individual.  
The money derived from the sale of treasury stock is  
used to develop and equip mines which have a proven  
value.

(Testimony of H. B. Gutches.)

A POSITIVE CERTAINTY. THIS COMPANY IS EARNING AND PAYING TWO PER CENT. MONTHLY DIVIDENDS.

THE SUNSET MINING COMPANY, as successor to the Orange Company, has and will continue to pay Monthly Dividends of not less than two per cent.

THE SUNSET MINING COMPANY'S business is to buy, sell, develop and operate Gold and other mines, preferably in California.

Some people imagine that because our dividends are 2 per cent per month, 24 per cent per annum, that we are not doing a safe business. In reply, would inform all that our stock is not watered.

Do you know that if the Western Union Telegraph stock was not watered, its dividends would be from 30 to 40 per cent per annum; also New York Central Railroad Company stock would pay, if not watered, 25 to 30 per cent per annum. There are mines in California whose stocks are not watered that pay 100 to 500 per cent per annum. We will be among these as soon as we can complete our equipment. Sunset stock will never be watered.

\$131,000,000 in Dividends was paid in 1900 by Mining Companies in the United States.

THE SUNSET MINING COMPANY is strictly sound, under strictly straight management, and is strictly a money maker.

(Testimony of H. B. Gutches.)

STOCKHOLDERS.

EDWARD HILL, Cashier, Leechburg Banking Co.,  
Leechburg, Penn.

“Will answer any inquiries concerning the Sunset  
Mining Company.”

This gentleman as a shareholder has received 14  
monthly dividends.

W. B. GUILD (Independent Newspaper Writer), Dor-  
chester Station, Boston, Mass.

G. W. FINCH (Retired Merchant), 211 Avondale  
Avenue, Toledo, Ohio.

During January, this year, the above parties visited  
the Sunset's gold mines, and saw them running night  
and day, and will affirm statements in Prospectus.

Mr. Finch was an old California miner thirty years  
ago. After fully inspecting the mines at work and  
those we desire to equip, he gave us a liberal subscrip-  
tion to our stock, subscribing for 6,000 shares.

Also references to the following shareholders will be  
answered:

Mrs. A. L. Perry, Edge Cliff, Walnut Hills, Cincinnati,  
Ohio, has received dividends for about one year.

F. Blatzek, 692 13th St., Milwaukee, Wis., has received  
dividends for more than one year.

R. G. Dorrence, 1623 Armitage Avenue, Chicago, Ill.,  
has received dividends for about one year.

W. MacRitchie, 84 Union St., Hillsdale, Michigan, has  
received dividends for more than one year.

(Testimony of H. B. Gutches.)

John E. Martin, Columbia City, Indiana has received dividends for about one year.

Miss R. A. Bellinger, 616 North Hazel St., Danville, Ill., has received dividends for about one year; has recently visited the mines, and largely increased her holding.

Hayden Whitney, 1530 Chestnut St., Philadelphia, Pa., has been materially interested in the company for more than a year, and can report all transactions of this Company as prompt, reliable and satisfactory.

Albert D. Beachy, 934 Monadnock Building, Chicago, Ill., is materially interested in the "Sunset Company," and will answer questions regarding it.

#### RECEIVED MONTHLY PAYMENTS NEARLY EIGHT YEARS.

C. J. Haile, Fruit Grower, Vacaville, Cal., was a subscriber to the Original Orange Mining Co., and has received 92 monthly dividends.

#### PRESENT PRICE.

The present price of Sunset stock is \$1.25 per share. Dividends are paid monthly. When writing to the above parties enclose stamp for reply.

Would you like photographs of the mines? Come or send your friends to visit the mines in operation.

SUNSET MINING COMPANY,

Chronicle Bldg.,  
San Francisco, Cal.



(Testimony of H. B. Gutches.)

## CABLE QUOTATIONS FOR SUNSET STOCK

on the

### LONDON STOCK EXCHANGE

Received to-day.

Sunset Mining Co. of California, per share, ten shillings (about \$2.50).

Our advices inform us that this stock is now regularly listed on the London Stock Exchange, and that arrangements are being made to list it on the Paris Bourse, or Stock Exchange, after which it is expected that the stock will start on a big boom to probably \$40 to \$50 per share. This is owing to a favorable report made by a London expert who was sent here by a European syndicate to investigate and report on the Sunset mines and properties.

The last mine purchase "Old Glory" is turning out GOLD gloriously. We hope soon to be able to increase dividends, which are now 2%.

The par value of our stock is \$1.00 per share. The present market price is \$1.25 per share, but this price will not hold long, owing to the constant advances in Europe. We will have to advance our prices to keep in pace with European markets, as we are cabled from

(Testimony of H. B. Gutches.)

time to time, hence no notice can be given of advance in price here.

Respectfully,  
 SUNSET MINING COMPANY,  
 Chronicle Bldg.,  
 San Francisco, Cal.

Dated, October 2, 1901.

(The paper is marked "United States Exhibit No. 63.")

Q. Now, Mr. Gutches, I show you a letter dated San Francisco, November 7, 1901, addressed to Emerson & Co., 35 Nassau Street, New York City, and signed "Respectfully, G. W. Rumble," and having certain pieces of handwriting below the signature "G. W. Rumble, Secy," and ask you whether or not you received that communication through the United States mail from the defendant?      A. I did.

Mr. McKINLEY.—I offer that in evidence.

Mr. HART.—Do you offer the writing, too?

Mr. McKINLEY.—Yes, the whole business.

Mr. HART.—I will ask the witness one or two questions.

Q. Did you receive this by mail?      A. Yes, sir.

Q. Did you open it yourself?      A. Yes, sir.

Q. That is, you personally attended to the mail?.

A. Yes, sir.

Mr. HART.—We object, if the Court please, to the offer in evidence of so much of this letter that follows the

(Testimony of H. B. Gutches.)

signature "G. W. Rumble, Secty."—S-e-c-t-y—on the ground that it is not proven that the writing was there when received, and not proven it is Mr. Rumble's writing. Again we object to the receipt of the whole letter on the grounds: First that it is immaterial, irrelevant and incompetent; second, because it is not charged in the indictment that that was one of the letters mailed in pursuance of the scheme, and there is no allegation in reference to the letter at all.

The COURT.—Q. Did I understand you to say that that writing at the bottom of the letter was there at the time you received it?      A. Yes, sir.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

Mr. McKINLEY.—(Reading:)

**United States Exhibit No. 64.**

San Francisco, California, U. S. A.,

November 7, 1901.

Messrs. Emerson & Co., No. 35 Nassau St., New York  
City.

Gentlemen: Yours of November 1st received. You are too late in your request for a quantity of the circulars of which we herewith send you one. About two weeks ago we commenced to mail them and they are now nearly all gone, only a few are left which we will reserve as samples. We herewith again send you one of

(Testimony of H. B. Gutches.)

Mr. Whitney's last circulars, also one of the latest London circulars, also a sample of all of our circulars.

We hope that you will have the big success you anticipate selling Sunset Stock. We have some excellent mines that we want to equip. "Old Glory," our latest mine, is a bonanza, and is a marvel to old mining men, both in the quantity and quality of the gold that it is turning out. The nuggets of which you will notice profile are unusual in California in such quantities as we get them.

Send people to us, anybody and everybody you can. We will take them to the mines and back to San Francisco at our own expense.

We again repeat to you that we grant you an option to sell 2,000,000 shares of stock. The price to you will be 90 cents per share while the selling price remains at \$1.50 per share, where it is at present. Should it be advanced from that price to \$1.75 or \$2.00 per share, which we anticipate very soon, the price will be raised to \$1.00 per share to you. We stated this in a former letter, but do not wish to be misunderstood because it is best that there be no misunderstandings in startings.

Respectfully,

G. W. RUMBLE,

Secty.

The handwriting portion is as follows:

"Dividends are 2% per month, computed at par which is \$1.00 per share.

R.

(Testimony of H. B. Gutchess.)

The only Sunset brokers who are successful are those who give personal interviews going to see people. Whitney does this; Brady of Chicago does it. C. S. Marvin of Bradford, Ill., does it. Miss A. R. Bellingher, Danville, Ill., does it.

And they succeed."

(This letter is marked "United States Exhibit No. 64.")

Q. I show you now a letter dated October 8th, 1901, at San Francisco, addressed to yourself, care of L. R. Beckley & Co., No. 50 Broadway, New York, N. Y., signed "Respectfully, G. W. Rumble, Secretary," and certain words in handwriting at the bottom. I will ask you first if you received that letter in the condition it now is with the handwriting and all on it through the United States mail at New York from the defendant Rumble?       A. I did.

Mr. McKINLEY.—I will offer that letter in evidence.

Mr. HART.—We object to the receipt of this letter in evidence on the grounds: First, that it is immaterial, irrelevant and incompetent; second, because it is not charged in the indictment that that was one of the letters mailed in pursuance of the scheme and there is no allegation in reference to the letter at all.

The COURT.—I overrule the objection.

Mr. HART—I will take an exception.

Mr. McKINLEY.—(Reading:)

(Testimony of H. B. Gutches.)

**United States Exhibit No. 65.**

San Francisco, California, U. S. A.

October 8, 1901.

Mr. H. B. Gutches, c/o L. R. Beckley & Co., No. 50 Broadway, New York, N. Y.

Dear Sir: On my return from the mines again this Tuesday, October 8th, 1901, I find your telegram on my desk, which fortunately has not been waiting long for me as I find it was sent this morning.

I have been in the mines for the past five days with Mr. Albert D. Beachy, of 934 Monadnock Bldg., Chicago, who is the Sunset man there. We allowed him to see our week's clean-up at "Old Glory" and it was glorious I can assure you. The gold we are getting from that mine is a marvel to everybody who sees it; not only the quantity but the quality and character of it being very coarse gold.

Replying to your telegram wherein you ask us for option on 2,000,000 shares on a basis of 75 cents, and to grant you exclusive territory, I refer you to my former letters and will repeat here that the price to brokers today on Sunset stock is 90 cents per share, and exclusive territory is out of the question. We should be pleased to have you proceed with the sale of Sunset stock on this basis, and regret that you or your firm did not take it up when we first asked you to on a 75 cent basis, but that is now past forever, so it is utterly useless for you to write or telegraph for it.

(Testimony of H. B. Gutches.)

The selling price of the stock to the public is \$1.25 per share; if, however, you and Mr. Whitney of Philadelphia, think you can sell it at \$1.50 per share, we have no objection to your making that the selling price, and we will maintain the price to you at 90 cents.

Respectfully,

G. W. RUMBLE,

Secty.

Then in handwriting below is the following: "You can sell 2,000,000 shares."

(This letter is marked "United States Exhibit No. 65.")

Q. I show you another letter, dated October 15, 1901, addressed to yourself at New York, signed "Respectfully, G. W. Rumble, Secty," and ask you the same question as to that: Did you receive that in the ordinary course of mail through the United States Postoffice establishment, from the defendant?      A. Yes, sir.

Mr. MCKINLEY.—I offer this letter in evidence.

Mr. HART.—Defendant objects to the introduction of this letter in evidence on the grounds: First, that it is immaterial, irrelevant and incompetent; second, because it is not charged in the indictment that that was one of the letters mailed in pursuance of the scheme, and there is no allegation in reference to the letter at all.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(Testimony of H. B. Gutches.)

Mr. McKINLEY.—(Reading:)

**United States Exhibit No. 66.**

San Francisco, California, U. S. A.

October 15, 1901.

Harry B. Gutches, c/o L. R. Beckley & Co., No. 50 Broadway, New York, N. Y.

Dear Sir: On my return from the mines again this Tuesday, October 15th, I find your letter of October 10th. I am glad to notice what you say about your prospectus being ready in a few days. Herewith we send you one received from Mr. Whitney of Philadelphia, also one gotten out by the English people.

In regard to "Old Glory" would say that it is a nugget producer. I brought down with me several nuggets worth \$3 to \$20 each. This mine is a wonder in that section of the country, so much so that mining men who are used to phenomenal things in mines are all talking about it. It would do you good to see it. We wish that you yourself would come, or that you could send some of your people whom you could afterward use as references.

Mr. Beachy of Chicago who I told you about in my last letter, was much surprised at what he saw and how the gold was turned out daily.

We repeat to you now here in this letter that we grant an option to you of 2,000,000 shares of **Sunset** stock. The present price to brokers is 90 cents per share. There is no more 75 cent stock.



(Testimony of H. B. Gutches.)

You will note that I stated in my last letter to you about seeing Mr. Whitney and arranging with him for each of you to place the selling price of the stock at \$1.50, and we will keep the price to you at 90 cents.

In regard to customers of yours writing to us directly for stock, you will get the full benefit of it. We ask you to see Mr. W. and talk with him on this subject as to whether we keep our word or not. Mr. W. has had considerable experience with us and can tell you whether we are square people or not. We want to see what you can do, so far it has been only chin music on paper.

In regard to having a woman as President of this concern, we think you have made a mistake in not so stating in your circulars, placing M-r-s. in ( ) as we do. This lady in Rochester has nothing whatever to do with the management of the mines, or the company affairs, except an occasional consultation with and coinciding with what I find is necessary and best for the Company. The reason she is elected as President is because I know her to be a capable business woman, and as true as steel to those with whom she affiliates in business, which, I am sorry to say, has not been my experience with many other persons during my 35 years of business career.

Respectfully,

G. W. RUMBLE,

Secretary.

(The letter was marked "United States Exhibit No. 66.")

(Testimony of H. B. Gutches.)

Q. I now call your attention to a letter dated November 20, 1901, at San Francisco, addressed to Messrs. Emerson & Co., New York, signed "Respectfully, G. W. Rumble Secty.," and three lines of handwriting below that signature, and ask you whether or not you received that letter in due course of mail in its present condition, with the handwriting at the bottom of it, from George W. Rumble?      A. Yes, sir.

Mr. McKINLEY.—I offer this in evidence.

Mr. HART.—We object to the introduction of this letter on the grounds: First, that it is immaterial, irrelevant and incompetent; second, because it is not charged in the indictment that that was one of the letters mailed in pursuance of the scheme, and there is no allegation in reference to the letter at all.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

Mr. McKINLEY.—(Reading.)

**United States Exhibit No. 67.**

San Francisco, California, U. S. A.

November 20, 1901.

Messrs. Emerson & Co., No. 35 Nassau St., New York,  
N. Y.

Gentlemen: Replying to yours of November 15th, we herewith mail you a couple of hundred nugget pictures, as requested. The photographs from which the half

(Testimony of H. B. Gutches.)

tones were made are scattered here and there. The best we can do is to have duplicate cuts made for you, and we have done this in a couple of instances, and found that the duplicates were better than the originals. The expense of doing this is considerable, but I shall take the matter up at once and send them to you within a week.

Respectfully,

G. W. RUMBLE,

Secty.

Then, in handwriting below: "Mr. Whitney, Phil. Mr. Beachy, Chicago, sells lots of stock without pictures."

(The letter is marked "United States Exhibit No. 67.")

The COURT.—How many more of those letters have you got?

Mr. McKINLEY.—There are quite a few more

The COURT.—Hand them all up to the witness. Two questions will apply to all of it.

Q. I show you a letter dated December 9, 1901—

Mr. HART.—Do you propose to offer them all as one exhibit?

Mr. McKINLEY.—I suppose that is the idea of the Court.

Mr. HART.—Then give us the dates of the letters.

The COURT.—What I suggested was, it is not necessary to go through the same question to each one. The witness can be handed a dozen of those letters, and be

(Testimony of H. B. Gutches.)

asked whether he received them in due course of mail in that condition. Then they can be offered as "Exhibit 1," or "Exhibit 65" or whatever it may be.

MR. McKINLEY.—I will identify them first.

Q I show you letters dated respectively December 9, 1901; January 8, 1902; January 2, 1902; January 7, 1902; January 8, 1902; January 16, 1902; April 15, 1902; April 22, 1902; July 21, 1902; July 23, 1902; July 29, 1902; a letter dated August 9, 1902; a letter dated September 4, 1902; October 23, 1902; December 16, 1902, to which is attached a paper entitled "Nugget, value \$80, from "Old Glory" December 10, 1902"; a letter dated February 2, 1903; another letter dated January 29, 1903, being a letter addressed to Emerson & Co., of New York, and signed "G W. Rumble, Secty.;" attached to that letter is a circular with two printed pages, I show you these letters, and ask you whether or not you received the letters which I have indicated in due course of mail through the United States postoffice established of New York, from the defendant Rumble? A. Yes, sir.

Q. I ask you further whether or not the circular matter which is enclosed with those various letters, or any of them, was received by you through the mail with the respective letters?

A. Some of the circulars came under separate cover, because there were numbers of them.

Q. But they were all received through the United

(Testimony of H. B. Gutches.)

States mail in the manner you have described, from the defendant?       A. Yes, sir.

Mr. McKINLEY.—I now offer these in evidence. I think each one had better be marked separately.

The COURT.—What is the first one? Offer it, and get a ruling.

Mr. McKINLEY.—I offer first a letter dated December 9, 1901.

Mr. HART.—Defendant objects to the introduction of said letter in evidence on the following grounds: First, the said letter is immaterial, irrelevant and incompetent; second, because it is not charged in the third count of the indictment in this case that said letter was one of the letters mailed in pursuance of the alleged scheme charged in said count, and there is no allegation in reference to said letter in said count of the indictment.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(The letter is marked "United States Exhibit No. 69.")

The COURT.—Now offer the next.

Mr. McKINLEY.—I now offer the letter of January 8, 1902.

Mr. HART.—Defendant makes the same objections as last above stated.

(Testimony of H. B. Gutches.)

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(The letter is marked "United States Exhibit No. 70.")

Mr. McKINLEY.—I now offer the letter of January 2, 1902.

Mr. HART.—Defendant makes the same objections as last above stated.

The COURT.—The objection is overruled.

Mr. HART.—We will take an exception.

(The letter is marked "United States Exhibit No. 71.")

Mr. McKINLEY.—I next offer the letter of January 7, 1902.

Mr. HART.—Defendant makes the same objections as last above stated.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(The letter is marked "United States Exhibit No. 72.")

Mr. McKINLEY.—I next offer the letter of January 8, 1902.

Mr. HART.—Same objections by defendant.

The COURT.—I overrule the objection.

(Testimony of H. B. Gutches.)

Mr. HART.—We will take an exception.

(The letter is marked "United States Exhibit No. 73.")

Mr. McKINLEY.—I next offer the letter of January 16, 1902.

Mr. HART.—Same objections by defendant.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(The letter is marked "United States Exhibit No. 74.")

Mr. McKINLEY.—I next offer the letter of April 15, 1902.

Mr. HART.—Same objections by defendant.

The COURT.—I will overrule the objection.

Mr. HART.—We will take an exception.

(The letter is marked "United States Exhibit No. 75.")

Mr. McKINLEY.—I next offer a letter of April 22, 1902.

Mr. HART.—Same objections by defendant.

The COURT.—Objection overruled.

Mr. HART.—We will take an exception.

(The letter is marked "United States Exhibit No. 76.")

(Testimony of H. B. Gutches.)

Mr. McKINLEY.—I next offer a letter of July 21, 1902.

Mr. HART.—Same objections by defendant.

The COURT.—The objection is overruled.

Mr. HART.—We will take an exception.

(The letter is marked "United States Exhibit No. 77.")

Mr. McKINLEY.—I next offer a letter of July 23, 1902.

Mr. HART.—Same objections by defendant.

The COURT.—The objection is overruled.

Mr. HART.—We will take an exception.

(The letter is marked "United States Exhibit No. 78.")

Mr. McKINLEY.—I next offer a letter of July 29th, 1902.

Mr. HART.—Same objections by defendant.

The COURT.—The objection to the letter written to the defendant will be overruled.

Mr. HART.—We will take an exception.

(The letter is marked "United States Exhibit No. 79.")

I next offer the letter of August 9, 1902.

Mr. HART.—Same objections by defendant.

The COURT.—The objection will be overruled.



(Testimony of H. B. Gutches.)

Mr. HART.—We will take an exception.

(The letter is marked “United States Exhibit No. 80.”)

I next offer the letter of September 4, 1902.

Mr. HART.—Same objections by defendant.

The COURT.—The objection is overruled.

Mr. HART.—We will take an exception.

(The letter is marked “United States Exhibit No. 81.”)

Mr. McKINLEY.—I next offer the letter of October 23, 1902.

Mr. HART.—Same objections by defendant.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(The letter is marked “United States Exhibit No. 82.”)

Mr. McKINLEY.—I next offer the letter of December 16, 1902, with a piece of paper attached to it entitled “Nugget, Value 80, from ‘Old Glory,’ December 10, 1902.”

Mr. HART.—I object to the introduction of this letter of December 16, 1902, and the pencil diagram attached thereto, upon the following grounds: First, that both the letter and the diagram are irrelevant, immaterial and incompetent; on the further ground that the letter is not one referred to in the indictment, and that the

(Testimony of H. B. Gutches.)

pencil diagram is also one that is not referred to in the indictment.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(The letter is marked "United States Exhibit No. 83.")

Mr. McKINLEY.—I next offer the letter of February 2, 1903.

Mr. HART.—Defendant objects to the introduction of said letter in evidence on the following grounds: First, the said letter is immaterial, irrelevant and incompetent; second, because it is not charged in the third count of the indictment in this case that said letter was one of the letters mailed in pursuance of the alleged scheme charged in said count, and there is no allegation in reference to said letter in said count of the indictment.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(The letter is marked "United States Exhibit No. 84.")

Mr. McKINLEY.—I next offer the letter dated January 29, 1903.

Mr. HART.—Same objections by defendant.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(Testimony of H. B. Gutches.)

(The letter is marked "United States Exhibit No. 85.")

The COURT.—Now proceed and read the letters or finish with your witnesses.

Q. Did you first engage in the business of selling stock for the Sunset Mining Company at the instance and request of Mr. Rumble?

A. The proposition did not emanate from him particularly. We had some correspondence, but we sold some stock, though, for the company.

Q. How much stock did you sell?

A. About 15,000.

Q. At what average valuation? How much money was paid by the purchasers of this stock?

A. At an average of about \$1.50 a share, I will say.

Q. About 15,000 shares?           A. Yes, sir.

Q. Now, Mr. Gutches, when did you meet Mr. Rumble?           A. The last of April, two years ago.

Q. That is, in 1902?           A. Yes, sir.

Q. You came out here to California, did you? Did you make any investigation or have any conversation with Mr. Rumble with reference to his keeping of any book or books of his business?

Mr. HART.—I object to the question as immaterial, irrelevant and incompetent.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(Testimony of H. B. Gutches.)

Mr. McKINLEY.—Q. That is, during your visit?

A. Yes, sir.

Q. What was it? State it.

Mr. HART.—I object to the question.

The COURT.—I overrule the objection.

A. I asked Mr. Rumble about the books. I did not see anything around the office with the exception of two books which I looked at generally. I asked Mr. Rumble how he kept his books and never got any satisfactory answer about that; but I did see, however, two books, as I remember them, they were a stock ledger, and the other was a stock book of some kind kept by Mrs. Haile.

Mr. McKINLEY.—Q. How were they kept?

A. In pencil, to which I objected strongly.

Q. They were kept in lead pencil?

A. They were.

Q. Both of them?

A. Yes, sir, I think both of them.

Q. You protested against that to Mr. Rumble, you say, strongly?      A. I did.

Q. What was his reply?

A. He told me he had been running that company for a long time; that it suited him, and he objected to any interference in the matter.

Q. Mr. Gutches, while you were out here on that same visit that you speak of, did you make any investigation as to the title of the Sunset Mining Company to

(Testimony of H B. Gutches.)

the properties that Mr. Rumble had stated in his correspondence there was the property of that company?

A. I merely asked Mr. Rumble about it. He showed me a deed to some of the property, which was in the name of himself as secretary. I asked him why that was not placed on record in the name of the company. He said that it was in his title as secretary, that was sufficient for the time being.

Cross-examination.

Mr. HART.—Q. Did you go up to the mine?

A. Yes, sir.

Q. How long were you there?

A. Just one day, I think. I got there early Sunday morning, and left there the next morning.

Q. Did you see any clean-up while you were there?

A. Yes, sir.

Mr. HART.—Q. How much did you remit to Mr. Rumble, or the Sunset Mining Company, for the 15,000 shares that you say you sold?

A. About \$1 a share we remitted to the company.

Q. Why did you remit \$1 per share when you had authority to sell it at 90 cents net? I did not suppose New York brokers did that?

A. Where did you say that was?

Q. Those letters state you were authorized to sell the stock at 90 cents. I want to know why you remitted \$1 if you had a right to sell it at 90 cents?

(Testimony of H. B. Gutches.)

A. I don't recollect that statement.

Q. The fact is, whatever the letter may be, that you remitted \$1 a share?

A. I think an average of \$1 a share.

Q. And you sold as much as 15,000 shares?

A. Yes, sir.

Q. As a matter of fact, you sold that after your investigation, did you not?           A. Not all of it.

Q. How much of it?

A. I would say about two-thirds of it after the investigation.

Q. From your investigation, you were satisfied to continue the sale of the stock?

A. Yes, sir, I was.

DORA A. FRITZ, called for the United States, sworn.

Mr. McKINLEY.—Q. Where do you reside?

A. In San Francisco, now.

Q. Do you know the defendant, George W. Rumble?

A. I do.

Q. How long have you known him?

A. I first met Mr. Rumble in New York City in 1871.

Mr. McKINLEY.—Q. Did you ever have any business with him with reference to the affairs of the Sunset Mining Company?

A. Only so far as to furnish Mr. Rumble names of people which my husband had on his ledger, who was a practicing physician. I furnished him those names.

(Testimony of Dora A. Fritz.)

Q. When did you furnish him those names?

A. 1901, I think.

Q. Is that the only transaction you ever had with him with reference to the Sunset Mining Company?

A. The only transaction.

Mrs. E. L. LOCKHARDT, called for the United States, sworn.

Mr. McKINLEY.—Q. Where do you reside?

A. Albuquerque, New Mexico.

Q. How long have you resided there?

A. Seventeen or eighteen years.

Q. Were you in San Francisco during the year 1903?

A. Yes, sir, part of the year.

Q. In what month?

A. I think I came here about the 11th of June, and left for home on or about the 8th of October.

Q. So that part of the months of June, July, August, September and October, you were here?

A. Yes, sir.

Q. Where did you reside while you were in San Francisco?

A. I went to the Golden West and remained there about a week, and from there went to the Hotel Stewart, corner of Ellis and Leavenworth, and from there went to another hotel.

Q. In what month did you move to the Stewart Hotel on Ellis and Leavenworth? A. June.

(Testimony of Mrs. E. L. Lockhardt.)

Q. How long did you remain there?

A. About two months.

Q. During the time that you were residing at the Stewart Hotel did you meet the defendant, Mr. Rumble?

A. Yes, sir.

Q. Was he residing there?

A. He appeared to be.

Q. Do you know Mrs. M. A. Fritz, the witness who testified here this morning?      A. Yes, sir.

Q. Where did you first meet her?

A. In the parlors of the Hotel Stewart, in the month of July.

Q. That was last year, 1903?      A. Yes, sir.

Q. Previous to the time that you were a guest at the Hotel Stewart, had you ever seen or known Mr. Rumble?

A. Never, to my knowledge.

Q. State the circumstances under which you first became acquainted with Mr. Rumble.

A. Mrs. Fritz and I were standing in the hall outside of his door, near the little hall that enters to his room. There was a music-box in his room which was playing familiar airs, and we stood and listened, and made some noise—commented on it. Mr. Rumble very kindly came to the door and invited us into his room. We went in. He told us his name was Rumble. I told him my name was Lockhardt, and Mrs. Fritz said her name was Mrs. Dr. Fritz.

Q. You saw Mr. Rumble quite frequently during the time you were there, did you?      A. Yes, sir.



(Testimony of Mrs. E. L. Lockhardt.)

Q. Did you ever have any conversation with him with reference to his mining ventures, and particularly to his connection with the Sunset Mining Company?

A. Yes, sir.

Q. What conversations did you have with him, as far as you can recall?

Mr. HART.—We object to the question as immaterial, irrelevant, incompetent, and occurred, as I understand the witness, in June, 1903, or thereabouts, and it certainly can have nothing to do with this case. She was not a stockholder nor had anything to do with it.

The COURT.—Do you propose to show certain admissions?

Mr. McKINLEY.—I propose to show certain admissions.

The COURT.—The objection is overruled.

Mr. HART.—We will take an exception.

Mr. McKINLEY.—Q. What was the nature of the conversations?

Mr. HART.—I object to that on the same grounds.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

The COURT.—She can repeat the conversation. I am assuming, as counsel states he proposes to prove a confession, or something in the nature of a confession.

(Testimony of Mrs. E. L. Lockhardt.)

Mr. HART.—I understand. I simply want to preserve my rights.

A. It was as regards mining in general. He said he was mining in California. I told him we were mining in New Mexico. He asked me what kinds of mines we were working in. I told him quartz mines. He said he was mining in gravel mines. I then did not understand what he meant by "gravel mines," and he explained "hydraulic mines." He showed me some of the nuggets that he had taken from his mines, very kindly. They were contained in two sacks, some larger nuggets and some smaller nuggets.

Mr. McKINLEY.—Q. Did he say anything to you about the payment of dividends upon his stock?

Mr. HART.—I object to the question on the same grounds as to the last preceding question.

The COURT.—I overrule the objection.

Mr. HART.—I will take an exception.

A. He said it was a very good property, and he paid dividends 2%, and it was a very safe proposition. I told him I was not buying stock, that I was not betting on another man's game.

Mr. McKINLEY.—Q. You spoke about some nuggets. What was the appearance of those nuggets? Were they rough, or did they look as they were recently taken out, or were they smooth?

A. The nuggets I saw looked as if they had been used

(Testimony of John Bull Jr.)

a good deal. They were not fresh. There was no dirt attached to them.

JOHN BULL, Jr., recalled.

Mr. McKINLEY.—Q. I show you certain telegrams which were admitted in evidence this morning and read, they being marked “United States Exhibit 62,” and ask you to state whether you received at Elmira, New York, from G. W. Rumble, telegrams of that purport—those telegrams (handing)?

Mr. HART.—We object to the question as irrelevant, incompetent and immaterial.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

A. We did.

Mr. McKINLEY.—Q. I show you these blanks which appear to be duplicates of the ones that are in evidence, “United States Exhibit No. 62,” and ask you if those were the identical papers you received at Elmira, New York. (Handing.)

Mr. HART.—The same objection.

The COURT.—I overrule the objection.

Mr. HART.—We take an exception.

A. Yes, sir.

The COURT.—Those are duplicates of those already offered in evidence?

Mr. McKINLEY.—Yes.

(Testimony of John Bull, Jr.)

Mr. HART.—We object to the question as irrelevant, incompetent and immaterial, and object to the introduction of these on the ground that they passed through the telegraph office, and not through the mail.

The COURT.—I overrule the objection.

Mr. HART.—We will take an exception.

(The copies of the telegrams are marked "United States Exhibit 68.") The same are true copies of United States Exhibit No. 62.

Mr. McKINLEY.—With the exception of the reading of some of the letters which were introduced this morning, that will close the case of the Government.

The COURT.—Read the letters.

Mr. McKINLEY.—Exhibit No. 69 is as follows (reading):

**United States Exhibit No. 69.**

San Francisco, California, U. S. A.

December 9, 1901.

Messrs. Emerson & Co., #35 Nassau St., New York, N. Y.

Gentlemen: Your three paged letter under date of December 3rd received this Monday morning, December 9th. Your telegram sent Saturday was received yesterday morning, and sent to my house. I immediately came to the office, made out the certificate and mailed them to you, Sunday afternoon. You were fortunate in finding me in San Francisco to fill this order so promptly.

(Testimony of John Bull, Jr.)

It is the first Sunday I have been in San Francisco for twelve weeks. I am always at the mines on Sunday.

Replying to your inquiry about a subscription of 10,000 shares, would say there is no reduction in the price is it is 100,000 shares. The facts are, we expect another advance to \$1.75 or \$2.00, very soon, and the party will do well to get in his order before the advance occurs. I presume you now know enough of us to know that after an advance has occurred, there is no back water, even if we lost a subscription of 100,000 shares, we would not back water 5 cts. The securities are worth the money. The mines are turning out the gold which enables us to pay dividends, and if one party does not take it, another will.

We have not appointed any one else in New York City or vicinity to sell Sunset stock, and have no idea of doing so, as long as you keep hustling as you are at present.

You speak of a Mr. Hill selling stock in Newark. Who is this man Hill? We never heard of him before. There is a man in Newark named Lewis, with whom we arranged to sell stock at Concord, N. H., and the first we knew he addressed us from Newark, and said he would like to continue operations there, so we told him to go ahead. We find he is a hustler, and is making himself considerable money. We note the addresses of the parties whose subscriptions were sent, and will say that they will get their dividends on the first of the month promptly.

(Testimony of John Bull, Jr.)

In reference to private checks from points east of the Rocky Mountains, would say that Banks here will not accept them on deposit. They have been returned for collection, no matter whose they are, even if they were my old friends, E. B. Hatch's, who is the concern of Lord & Taylor, New York, N. Y.

Respectfully,

G. W. RUMBLE,

Secty.

"United States Exhibit No. 70" is as follows:

**United States Exhibit No. 70.**

San Francisco, California, U. S. A.

January 8, 1902.

Messrs. Emerson & Co., #35 Nassau St., New York, N. Y.

Gentlemen: In case you talk to anyone who hesitates because he has not seen the mines, make him the following guarantee:

If he buys stock now, and a later date comes here to visit our properties and finds that we have misrepresented anything in our circulars, we shall not only pay his expenses (up to \$150.00), but we will refund the price of his stock, leaving him a clear profit of whatever dividends he may have received in the meantime.

Respectfully,

G. W. RUMBLE,

Secty.

"United States Exhibit No. 71" is as follows:

(Testimony of John Bull, Jr.)

United States Exhibit No. 71.

San Francisco, California, U. S. A.

January 2, 1902.

Messrs. Emerson & Co., #35 Nassau St., New York, N. Y.

Sirs: Yours dated December 28th, enclosing certified check for \$566.60 in full payment for 654 shares received. Enclosed find the certificates as ordered:

Wm. Dunlea.....	10 shares
Mrs. Florence S. Knowles...	10 shares
Wm. H. Thorn.....	300
J. Frank Herold.....	10
Wm. H. McEldowney.....	20 (previously sent)
Anthony R. Fraga.....	50
Wm. H. Thorn.....	200 (previously sent)
—	
	650 shares

You will notice in the above that we have omitted Jas. K. Young, 4 shares, because ten shares is the least certificate we write. We shall credit your account with the \$3.60, subject to your orders.

Is Wm. H. Thorn, 209 Franklin St., the same person as Wm. H. Thorn, 89 West 103rd St.? or are they separate persons? As the matter now stands, we have to open two different accounts, as per your letter of instructions.

I am going to the mines again to-morrow, January 3rd, just as I wired you, but your letter says that Mr. Gutches is not coming. This is twice you have disappointed us

(Testimony of John Bull, Jr.)

in stating when Mr. Gutches was coming, hence we shall give up making any program for our team to meet me at the depot in order that we may drive out to the mine at night. Since the rainy season set in, which is now in California, I have told our people they need not meet me at night, it being between 11 and 12 o'clock, but that I would come out on the stage in the morning.

In regard to your issuing a circular, leaving out the information that the president is "Mrs." I would say, do not do it, but I advise you to put it on, for the reason that somebody is sure to inquire, and when they find out that the president is a "Mrs." they will crawl and cry "Fraud." We shall not leave it off our circulars or letterheads for the reason stated.

In regard to Mrs. Allington being the president of the company, you can say to the people that she has nothing whatever to do with the management of the mines. That is wholly in my hands with the Board of Directors here in California, but that under the laws, we must have a president, and as I have known this person for twenty years, and know her as a successful, sterling, reliable business woman, who does not play tricks on people, as I have been tricked in other affairs, I selected her for the president of the company, and do not propose to make any changes, as some have suggested that I should do. You will notice that I am a person who has had some experience, and allow me to remark that I have found that experience is a good teacher.



(Testimony of John Bull, Jr.)

I was born in Rochester, New York. After the war of '61-4, in which I was at the front in 22 battles, and served five months in Andersonville prison, from which I escaped, and after selling sewing machines, which I purchased from the Wilcox & Gibbs Sewing Machine Co., on Long Island and Newark, N. J., and making several thousand dollars, I engaged in the stockbroker's business in Wall St., with offices in the Old Exchange Court, after which I moved to Chicago, and became a member of the Chicago Board of Trade, where I did business for about twelve years. After this I came to the Pacific Coast and went into the mining business. Incidental to all of this, I have been around the world twice, and have been in Europe two or three times selling mines. I have investigated mining in nearly all parts of the world, in all its features, hence am egotistical enough to think I know what I am doing and will not be swerved from my course by the barkings of yellow, anarchistic, libelous journals, any more than the moon is swerved from her course by the barking of the yellow dog at midnight. I know that we have good mines, and that we are making money, and invite people to come and see for themselves. I also know that we have other large properties that would make us more money if we could equip them, hence we are selling some of our treasury stock.

Again replying to your request for stock to be issued through Wells, Fargo & Co., or in any other manner

(Testimony of John Bull, Jr.)

than the one which we are now pursuing, would say that we do not care to change our way of doing business.

Our recent circulars give you the names of a number of stockholders, among which are bankers, who have received their monthly dividends every month. We shall now name you another one, John E. Martin, Cashier, Columbia City, Ind.

In regard to the newspapers, the dirty work of some of them is annoying, but I suppose it is always so, if a person is progressive and undertakes to do business. At least, that has been my experience for the forty odd years I have been in business. Persistently, for nearly two years the New York Commercial has been after us to send them an advertisement, and we have as persistently thrown their newspaper and applications in the waste basket, and have left them unnoticed, until they now think they can whip us into line through their dirty articles. They, however, know nothing of what they are up against, as they are now the very last paper I would ever have anything to do with. Under no circumstances would I give them an advertisement, even if they would insert it in their paper free. They now go on our list with the W. R. Hearst gang, which includes the New York Journal, The Chicago American, and the San Francisco Examiner, all anarchistic, libelous sheets.

It is the custom of this company to pay dividends on the first of each and every month on all certificates of over fifty shares; on certificates of less than fifty shares,

(Testimony of John Bull, Jr.)

the dividend checks are mailed the first of each quarter only, but the 2% per month dividend is the same to all. Please advise the small shareholders of less than fifty shares of this custom of the company.

You will notice I have dated all of these certificates January 1st, so they will be entitled to draw dividends from that date.

We are mailing you a number of gold pictures, as requested.

Respectfully,

G. W. RUMBLE,

Secty.

“United States Exhibit No. 72” is as follows:

**United States Exhibit No. 72.**

San Francisco, California, U. S. A.,

January 7, 1902.

Messrs. Emerson & Co., #35 Nassau Street, New York,  
N. Y.

Gentlemen: I have been carefully re-reading your letter of December 31st, and note the various comments and questions, and would reply that you have twice told us that Mr. Gutches would be here at a certain time to go with me to the mines, and to find out all that you wished to know. If you keep your engagement by the arrival of Mr. Gutches, we shall then have two or three days' talk, and he can find out everything, and see the mines at work and all about them.

(Testimony of John Bull, Jr.)

Regarding the change in the price of the stock, our opinion is that it will not be advanced any further for a long time. Although we stated in our circular that we expected an advance soon, I do not think there will be any; neither do I think there will be any change in the dividends.

There are four features in your prospectus that we wish were different. One, is, that we wish you had stated, as Mr. Hayden Whitney does, as follows: "For stock supply apply to ——"; and then, again, we wish you had omitted the letter from the California State Mining Bureau. We thought we had stated to you that we did not wish to issue this letter any more. When this letter was given to us, about a year ago, Mr. Cooper was the State Mineralogist, and head of that department by appointment from the governor; but there has been a change in that department, and now the new Mogul at the head of affairs desires us to omit issuing that circular any further, and we promised him that we would. He says that it makes the State Mining Bureau responsible for our particular properties and statements, and that other mines think that it is an injustice to them for us to be whooped up, and they left alone. Hence, we wish it was omitted.

Another feature—we have found that the Illinois Trust & Savings Bank of Chicago, is deluged with letters of inquiry, which they do not like. We have also found that the Wells, Fargo Bank is deluged with letters which they

(Testimony of John Bull, Jr.)

do not like. Hence, in our later circulars you have noticed that we have stated that we pay our dividends by check on a Chicago Bank, and Pacific Coast checks are paid by a San Francisco Bank. The facts are that these Banks have gotten so tired of answering inquiries that they give in reply a sarcastic letter, if any at all, which goes against us. Hence, I fear that you have done injury, instead of a benefit by the issuance of this circular put up in the manner in which you have put it together. While it is true that we issued them at first as you have seen, we have found by experience, which is a good teacher, that it does not do to crowd such a matter too far.

Respectfully,

G. W. RUMBLE,

Secty.

“United States Exhibit No. 73” is as follows:

**United States Exhibit No. 73.**

San Francisco, California, U. S. A.,

January 8, 1902.

Messrs. Emerson & Co., #35 Nassau St., New York, N. Y.

Gentlemen: We want you to sell half a million shares of Sunset stock this year, 1902, and wish you to consider our criticisms of your circular for the general benefit of Sunset and you. What is a benefit to us is to you also, because it will help you succeed. We think we have given you our reasons for making each criticism, and they are based on our experience. We repeat that we have large

(Testimony of John Bull, Jr.)

and valuable properties that we want to raise money to equip, hence want everybody in interest to succeed to their utmost, and will do all that we can to help along on that line.

Respectfully,

G. W. RUMBLE,

Secty.

“United States Exhibit No. 74” is as follows:

**United States Exhibit No. 74.**

San Francisco, California, U. S. A.,

January 16, 1902.

Messrs. Emerson & Co., #35 Nassau St., New York, N. Y.

Gentlemen: Yours of January 11th, with certified check for \$459.00 and order for 509 shares of stock received this Thursday morning, January 16th. Enclosed find certificate for 500 shares for Mr. Henry Clay Fish. This certificate will be dated yesterday, and will be entitled to draw dividends from that date, which will be mailed to Mr. Fish on February 1st.

We inform you again that ten shares is the least certificate that we write, hence we do not enclose the other nine shares.

Your account now stands:

	“Nuggets	\$35.00
Previously to your Cr.....		\$3.60
Today to your Cr.....	9.00	12.60

---

\$22.40 Bal. due us.

(Testimony of John Bull, Jr.)

We shall be pleased to see Mr. Gutches, as then all matters can be talked over and he can use the mines and decide for himself whether he wants to make a special hard effort for Sunset, or whether he wishes to mix up Sunset with oil and miscellaneous companies.

In regard to selling stock of oil companies and other miscellaneous companies, would like to remark on general principles that the boom in the United States reached its zenith about one year ago, and all industries and all securities are now on the down grade. Don't you forget it! You will find this out when you have lived and seen the commercial pendulum swing back and forth as I have during a business career of forty years. Specifically in regard to oil, would say in reference to California oil that it is being sold at the wells for 10 cts. a barrel. The froth and foam is all off the boom in this country, and has been for about six months. The Standard Oil Company and the Southern Pacific Company have gotten control of the situation, so that there is no profit left in it for small outsiders or small outside companies, and those who put money into oil, either in Texas and California, will lose it, as sure as the sun rises in the east and sets in the west."

The COURT.—That does not seem to have any reference to this case.

Mr. McKINLEY.—It certainly does not.

(Testimony of John Bull, Jr.)

The COURT.—It seems to me that you need not read that portion which has no reference to the case.

Mr. McKINLEY.—It is difficult to pick it out. I do not want to weary you gentlemen. (Continuing:)

“One word more in reference to the boom on metals; what I mean by that is the recent continual advancing price for a series of years in copper, zinc, iron and cinna-bar. I repeat, all of these metals reached the zenith of their boom about a year ago and are now on the down grade; neither trust or combination can hold them up, or the judgment of ‘Yours truly’ is no good. I have persistently and repeatedly refused to have anything to do with any mines of these metals for about a year, and sold all of the holdings of myself and this company in these metals about that time. Only yesterday we were importuned strongly to take hold of a large copper and cinna-bar (quicksilver) property, but I refused the party and told him.”

The COURT.—I think you had better stop that. It has no reference to this case.

Mr. McKINLEY.—I am endeavoring to find the portions that have reference to this case. It is very difficult to do so. (Continuing:)

“Our first arrangement with you was that you should devote yourself entirely to Sunset, and we were not to make any arrangements to sell Sunset stock in New York City with anyone else, but as you have now been the first



(Testimony of John Bull, Jr.)

to break the contract, we shall open negotiations with other parties in New York to sell our stock, because we want to push the affair along much faster than you are now doing. We have now on hand a number of applications to begin on its sale, and shall write them to this effect.

“With regard to our paying your advertising bills would say that when we first commenced to sell our stock, the selling price was par, \$1.00 per share, and the price to brokers was 90 cts. We undertook to print circulars and do the advertising for brokers all over the United States, and had printed one hundred thousand little books, so that we were prepared to furnish any orders that brokers might send us for pamphlets. It soon developed that not a single broker was satisfied with our pamphlets; they criticised them from ‘a’ to ‘z’ inclusive, and wanted changes made in them to suit their own particular notions. We also found that they wanted us to rent their offices, and be sure to have them front offices in a fine building, and pay their rent for them; have them fitted up finely, and then we should hire a stenographer to do their work for them, and finally two or three of them asked us if we would not allow them extra pay for cigar money to treat customers when they came in. So we stopped the whole thing, and made the price to brokers 75 cts. per share instead of 90 cts. Still the brokers continued to kick for more, more, more. Then we put the price up to \$1.25 and left the price to brokers 75 cts.,

(Testimony of John Bull, Jr.)

as before, but it did no good. The brokers still wanted more, more, more. Next we put the price up to \$1.50—”

The COURT.—I assumed, when you offered that letter, that it had something to do with the case.

Mr. McKINLEY.—There are some matters about the stocks.

The COURT.—I wish you would find something that has any bearing on the case.

Mr. McKINLEY.—I will not read any more of this letter but will go to the next.

Exhibit No. 75 is as follows (reading):

### United States Exhibit No. 75.

San Francisco, California, U. S. A.,

April 15, 1902.

Messrs. Emerson & Co., No. 35 Nassau St., New York.

Gentlemen: On returning from the mines this noon, Tuesday, April 15th, I find yours dated April 9th and 10th.

Enclosed find certificate, corrected, for Mrs. Esther A. Holton.

Also enclosed find certificates:

250 shares for M. J. Coughlin;

50 shares for Chas. B. Walter;

50 shares for Rosamond H. Ilsley;

30 shares for H. M. McHenry;

for which certified check was enclosed in full.

(Testimony of John Bull, Jr.)

The first thing I did after opening the mail and reading your letters was to send you a telegram, assuring you that the situation here was simply glorious, and that the newspaper articles were libels from beginning to end, instigated by the same old gang of gamblers regarding which we sent you circulars some time ago; and in addition would say that if the public could only know how I fight for the interests of the Sunset Mining Company to protect it and our sluice boxes from this gang of gamblers, and also protect the funds of the company and keep them in their proper channels for the development of mines and the payment of dividends, instead of paying tribute to a gang of so-called financial and mining newspapers scattered throughout the United States, who are constantly pressing for tribute to hush their libels, failing in which they continue their libelous articles.

I repeat to you, as I have to others so many times that the word "repeat" is written on all the four walls of our room from top to bottom, that never, so long as "Yours truly" remains manager of the Sunset Mining Company and remains uncremated, will either these gamblers or these libelous dogs succeed in diverting the funds of the Company or the robbery of our sluice boxes.

If you have visitors, bring them along, and we will show you all about the mines in every respect.

Respectfully,

G. W. RUMBLE,

Secty.

(Testimony of John Bull, Jr.)

Then in ink, there is as follows:

“Balance due on nugget of.....	\$31.40
“Telegram.....	2.55
	<hr/>
	\$33.95”

Exhibit No. 76 is as follows (reading):

**United States Exhibit No. 76.**

San Francisco, California, U. S. A.,

April 22, 1902.

Messrs. Emerson & Co., No. 35 Nassau St., N. Y.

Gentlemen: Your letters dated April 14th and April 16th I find on my desk on returning from the mines this Tuesday noon, April 22d. We will take steps at once to collect the \$2.54 from the Telegraph Company, which they had no right to charge me.

Replying to your question as to reducing the price of stock to brokers, would say that you haven't got the matter hitched up right. Instead of reducing prices we shall advance prices, as before advised you. You should be sufficiently acquainted with us by this time to know that we mean what we say in every instance and no deviation.

“OLD GLORY” gave us the largest test clean-up yesterday that we have ever had. It was an eye-opener to “Yours truly.” We got the marvelous result of \$9.40 a car of half a yard of dirt from a test of fourteen cars from a certain new drift or tunnel we are running. This

(Testimony of John Bull, Jr.)

shows a yield of about \$20 per cubic yard, which is a little over a two-horse wagonload.

Herewith we mail you fifty additional Oroville papers.

We note what you say about Mr. Gutches being en route and am very glad of it. You do not mention how many are coming with him. The only way that I can convince people is for them to see. The newspapers lie so much about us because we won't pay them tribute it makes it very awkward for us and you, but we can't help it. We will fight it out on this line if it takes all summer. In fact, if it takes a whole lifetime, as I have now been fighting them about eight years, since that is the length of time since I first commenced to pay dividends and since they first commenced to cry for tribute. None of them have ever succeeded, hence they keep howling, howling, howling. We wish the public and the brokers could understand what a constant pressure I stand in this matter to protect the funds of the company from these howlers for tribute.

Respectfully,

G. W. RUMBLE,

Secretary.

Exhibit No. 77 is as follows (reading):

(Testimony of John Bull, Jr.)

United States Exhibit No. 77.

San Francisco, California, U. S. A.

July 21, 1902.

Messrs. Emerson & Co., #35 Nassau St., New York,  
N. Y.

Gentlemen: Enclosed find certificates:

50 shares for E. A. Shee;

50 shares for Oscar Koch;

for which draft was enclosed in full. Also find certificate for

10,000 shares for John James Pyle.

Regarding increase of dividends, would state that we are getting out a new circular on that subject and the subject of the probable increase in the price of the stock very soon, and stated that it will go to \$10 per share. The circular states there will be no increase in dividends until we have our other mines equipped and running, but the stock will probably be advanced to \$2 per share within a very short time. Will send you some of the circulars as soon as issued, which will be in a few days.

Regarding "OLD GLORY" would say that during the past week it has been shut down most of the time, because we have been putting in a new hoist and building over some of the old works that were there when we bought the mines, as we did not consider them sufficiently safe. We conduct our mining operations in a safe manner, keeping all of the machinery in perfect, reliable working order, so that nobody may be hurt. I

(Testimony of John Bull, Jr.)

have been conducting mining operations for about sixteen years and have yet to have my first accident and injure my first man. Our men at the mines all know this and know how careful we are with everything, which makes us popular with the miners.

Respectfully,

G. W. RUMBLE,  
Secty.

“United States Exhibit No. 78” is as follows:

**United States Exhibit No. 78.**

San Francisco, California, U. S. A.

July 23, 1902.

Messrs. Emerson & Co., #35 Nassau St., New York.

Gentlemen: I think I forget to mention to Mr. Gutches while he was here, and also I believe I have forgotten to mention to you in any of my letters, that I am what some people call a pretty strong crank, and some people call me a medium. On that question I will leave you to judge when I tell you the following:

One day before Mr. Gutches came here with his party, while I was sitting quietly, I heard him clearly say that he considered Mr. Rumble a very impertinent person who would do much better at the mines than at the office; that my letters were impertinent, and that all together I was an insulting person to conduct the San Francisco office end of our business, and that when he came to California he would take the office affairs of the

(Testimony of John Bull, Jr.)

Sunset Mining Company into his own hands and would relegate me to the mines and keep me there. I repeat, I heard Mr. Gutches say this through mediumistic qualities several weeks before he came here, hence I was fully prepared as to what to expect when he arrived. Now you can judge as to how big a crank I am, and also can judge why I have taken the position I have in some of my correspondence and some of my actions.

We want you to push ahead with the sale of our stock, and can only assure you in the future, as in the past, that you will get the squarest, promptest deal on earth, and that I consider myself fully competent to continue to keep my present position, as I have done for the past eight years. I think I am good for at least eight years more. At any rate I propose to keep on trying.

Regarding "Old Glory" would say that during the past week we have been putting in a new hoist, and now Mr. Pease reports that it is completed and we are running again. Also reports the completion of other improvements we are making there.

Respectfully,

G. W. RUMBLE,

Secty.

"United States Exhibit No. 79" is as follows:



(Testimony of John Bull, Jr.)

**United States Exhibit No. 79.**

San Francisco, California, U. S. A.

July 29, 1902.

Messrs. Emerson & Co., #35 Nassau St., New York City

Gentlemen: On returning from the mines this Tuesday noon, July 29th, I find yours of the 21st, in accordance with which enclosed find certificate. 10,000 shares in the name of Minnie E. Henderson? This is the second 10,000 share certificate we have recently sent you.

We expect the price of Sunset stock will be advanced to \$2 per share very soon. We cannot announce definitely to you to that effect, neither can we promise you that we can give you even a ten days' notice. People who wish to get in ahead of the advance should not wait five minutes.

"OLD GLORY" gave us a magnificent clean-up again last Sunday.

You can say to Mr. Gutches that we now have a chance to buy the mine adjoining "OLD GLORY" which is a working mine and making money. Mr. Gutches will remember that it is very close to us. I had a long talk with the proprietor last Sunday, which resulted in his offering it to us. I do not know that we shall buy it, because we haven't the money, but we consider it a good property and would make him a cash bid for it if we had the money. I inspected it with the superintendent in all of its workings on Monday, going into the mine about 8 o'clock and not coming out until nearly 11, so you may know how thoroughly I inspected it. I

(Testimony of John Bull, Jr.)

am quite satisfied that it is a good property and could be worked to great advantage in connection with "OLD GLORY," as we would run tunnels from one mine to the other and would place the whole business under the charge of our able and efficient Superintendent, Mr. Ira A. Pease. We want \$100,000 and wish you could send it to us within the next thirty days.

Respectfully,

G. W. RUMBLE,

Secty.

"United States Exhibit No. 80" is as follows:

### United States Exhibit No. 80.

San Francisco, Aug. 9, 1902.

California, U. S. A.

Emerson & Co., New York City.

Sirs: We invite you and everybody to come and see our mine "OLD GLORY" and see a Sunday morning clean up of 50 feet of our sluice-boxes.

It is a pleasant trip from San Francisco, to the mines and return.

At an impromptu meeting of the directors of the Co. this A. M. it was about decided to advance stock to \$2.00 per share Sept. 1st.

We have a message to-day from the President of the Co. asking us to advance the price of stock immediately this may be acted upon at our directors' meeting next week, and telegrams sent to you and all Brokers to that effect.

(Testimony of John Bull, Jr.)

So do not be surprised if you receive it.

After sending such wire no orders will be filled at the price now ruling.

We would remind you that the price of our price of our stock is \$10.00 per share, and it will sell there and the dividends be 5% as soon as we can get our mines all equipped and running.

Respectfully,

G. W. RUMBLE,

Secty.

“United States Exhibit No. 81” is as follows:

**United States Exhibit No. 81.**

San Francisco, September 4, 1902.

California, U. S. A.

Emerson & Co., 35 Nassau St., New York City, N. Y.,

Sirs: Enclosed find certificate for

75 shares,

Michael J. Coughlin.

for which draft in payment of same was enclosed in yours of August 30th.

I have been compelled to date this certificate to-day, September 4th, notwithstanding your request to date it September first. The facts are one of the directors of the Company was in the office when the morning mail came in, and on seeing your order and request, made the usual demur about dating certificates back, unless extra pay was included in the order to pay the dividend back to the time which the party wished them dated from.

(Testimony of John Bull, Jr.)

I would have done this myself if the director had not been there, and taken notice of the letter and request, and if I now ignored the ruling and made an exception to it, it would cause both you and me an unpleasant "call down."

In reference to the Pyle matter, would say that we perfectly understand it, as you have explained it in previous letters; but what we did not understand was the Minnie E. Henderson certificate for 10,000 shares. We presume it is all right, but I am asked for explanations in regard to the issuance of such a large certificate, hence ask you again to give them to us.

"Old Glory" was particularly good to us last Sunday, giving us the largest nugget it has ever done. Below find a penciled diagram of it.

I am now able to inform you that the deeds for both "Old Glory" and the "Amo" mines, which have stood in my name, which had been regularly transferred to "Sunset's," but had not been recorded, has now been recorded to the "Sunset Mining Company."

The reason why these deeds remained unrecorded was because I wished to quiet title to these properties, circumstances being as follows:

Some 25 years ago when John Wagner and another German bought the property, now known as the "Old Glory," it was done in their joint names. Five or six years after the original papers were granted to them, John Wagner, of whom we bought the property, bought out his partner and took from him a statement, written

(Testimony of John Bull, Jr.)

in German to that effect, which he never put on record, and which he claimed he had lost.

The partner went to Germany soon after selling his interest in the mine to Wagner, and died some twelve or fifteen years ago in Germany.

Wagner has always had undisputed and peaceful possession of the property, and there was no question in my mind, or anybody else, but that he was the full and rightful owner of it, but the record showed differently, so in order to quiet title I had to go through a process of law, which has recently been completed, and now the deeds transferring the property from myself to the "Sunset Mining Company" have been placed on record.

If you have any communication or know the address of that troublesome preacher, with his very wise lawyer from Philadelphia, whose name I think was Wood, I request that you make him a copy of this portion of the letter and send it to him.

Respectfully,

G. W. RUMBLE,

Secretary.

"United States Exhibit No. 82" is as follows:

**United States Exhibit No. 82.**

San Francisco, Oct. 23d, 1902.

California, U. S. A.

Emerson & Co., 35 Nassau St., New York, N. Y.

Sirs: Referring to yours of the 18th, which is at hand this morning, our comment is that we cannot control

(Testimony of John Bull, Jr.)

the comments of the newspapers. I will not pay them tribute.

In all of my letters and circulars I invite people to come and see, and when they do favor us with a call, I treat them nicely, take them from San Francisco to the mines and return to San Francisco at our own expense. During the past year I think I have taken about 35 on this trip; all but two of them have expressed their entire satisfaction, one of whom is the representative of Dudley D. Smith, and the other is Miss Kane. We still invite people to come and see.

We understand that there are four en route here now, two of them are the Moores, bank people of Lancaster, Pa., who are over due; the other two are Mr. L. S. Lindsey and wife of Lanark, Ill.

Mr. Lindsey has been engaged in the sale of "Sunset" stock at this place for about a year, and has met with considerable success for the size of the place.

I note your last remark in the letter, which is "if we surround the Company with safeguards." My reply is that I have been trying to do this to the best of my ability for the past two years, but when people come to me with the statement that they have been written to regarding our Company, and if I will not pay them a certain amount of money they will report me unfavorably, my quick nature comes up and I generally show them the door in double quick time.

I believe in justice and a square deal, and repeat to you that I will not pay tribute and cajole with such

(Testimony of John Bull, Jr.)

dirty dogs. Our properties are good and we will stand by them, and will not divert the funds to paying tribute, but keep them in their legitimate channels for the payment of dividends, and the working of the mines.

Respectfully,

G. W. RUMBLE,  
Secretary.

“United States Exhibit No. 83” is as follows:

**United States Exhibit No. 83.**

San Francisco, Dec. 16th, 1902.

California, U. S. A.

Emerson & Co., 35 Nassau St., New York, N. Y.,

Sir: Yours enclosing certificate of 10,000 shares for John James Pyle received.

“Old Glory” gave us a big nugget last week; below see penciled diagram.

Respectfully,

G. W. RUMBLE,  
Secretary.

Attached to this exhibit is a paper with a drawing entitled “Nugget Value \$80, from ‘Old Glory,’ Dec. 10, 1902.” That is in lead pencil.

The next, “United States Exhibit No. 84,” is as follows:

(Testimony of John Bull, Jr.)

**United States Exhibit No. 84.**

San Francisco, February 2nd, 1903.

California, U. S. A.

Emerson & Co., 35 Nassau St., New York, N. Y.

Sirs: Yours of the 26th at hand.

We want to sell our stock and the net price to you will remain as before, unless we learn that you are cutting the price. If we hear of this we will absolutely refuse to sell you stock at any price. We are aware there has been an epidemic among brokers in nearly every city of the country, to issue cut rate prices on many stocks, including "Sunset." To every one of them we hear of we either immediately telegraph or write that the net price of them will be \$1.75 per share.

We will not tolerate any cutting from anybody.

We notice that we have not received a single order from anybody for stock, who issues cut rate circulars, hence, we conclude that such tactics are not winners. I know from long experience along similar lines that the public will not buy in a depreciated or a falling market, or from anybody who offers securities or commodities at cut rates, as they will let every broker severely alone who does this, hence, we think that brokers who have tried to gain business through such tactics have made a mistake.

I have to laugh when I read your P. S. that some fellow in Boston says that Mr. Rumble is an eccentric man. Please inform that man that I am not only



(Testimony of John Bull, Jr.)

eccentric but a crank, and that if he would put a crank on both sides of me I would be better pleased, than to be simply called eccentric. To those who treat me fair they find no better friend, but to those who try to step on my toes, they are very apt to get it on the nose before they get an apology, or the question as to why the toes were stepped on.

Among astrologers I am what is called a Mercury Saturn character. Mercury is quick and Saturn gives persistency, which knows no limit.

Come along with your picnic parties for "Old Glory." We are only too glad to show it, as well as the gold dredges, and the other properties, which we wish to equip. "Old Glory" is in better shape now than when Mr. Gutches was here. We have two exits, one of which enables us to drive mules directly into the mines, which hauls the cars to the foot of the shaft, also gives us a circulation of air, and two means to get out in case of accident.

Respectfully,

G. W. RUMBLE,

Secretary.

"United States Exhibit No. 85" is as follows:

**United States Exhibit No. 85.**

San Francisco, Jan. 29th, 1903.

California, U. S. A.

Emerson & Co., New York, N. Y.

Sir: The price to brokers after March 1st will be \$1.20 per share.

(Testimony of Thomas M. Braithwaite.)

We can send you more of these EXTRA DIVIDEND circulars if you desire them.

Respectfully,

G. W. RUMBLE,

Secretary.

Then in handwriting below is: "Send some of 'em to the parasite press."

THOMAS M. BRAITHWAITE, recalled for further cross-examination.

Mr. HART.—Q. You are an officer of the Illinois Savings & Trust Co., who testified the other day.

A. Yes, sir.

Q. Are you able to state whether those drafts that were deposited in the bank were drafts from the Government Mint or drafts from other banks, and if so, what bank?

A. I think I can state that. They were all either bank drafts or currency.

Mr. HART.—Q. What banks?

A. General drafts drawn by San Francisco banks on New York.

Q. The Crocker-Woolworth National Bank?

A. The Crocker-Woolworth National Bank is one. The Crocker-Woolworth Bank of San Francisco on the National Park Bank, New York; another one is the same.

(Testimony of Thomas M. Braithwaite.)

Q. As far as you can recollect, they were all drawn by that bank, were they not—as far as you recollect?

A. The items which came from San Francisco were, yes, sir.

H. B. GUTCHEs, recalled for further cross-examination.

Mr. HART.—Q. Mr. Gutches, you stated in your direct examination by the Government that you were present at the mine at the time of the clean-up.

A. Yes, sir.

Q. Do you remember the amount of that?

A. Yes, sir.

Q. What was it?

A. Three thousand and fifty dollars.

Q. In nuggets and gold dust?           A. Yes, sir.

Redirect Examination.

Mr. McKINLEY.—Q. Have you any knowledge whatever as to where that \$3,050 came from, whether it came from the mine, or whether it was put there by somebody else, or what?

A. It was taken from the sluice-boxes.

Q. That is all you know about it. You saw it in the sluice-boxes. You do not know how it got there?

A. No, sir.

JOHN BULL, Jr., recalled for further cross-examination.

Mr. HART.—Q. Mr. Bull, you having stated you were present at the mine at the time of the clean-up, what was the amount of that clean-up when you were there?

A. About 96 ounces.

Q. And the bulk of the stock your firm sold was sold after you returned East? A. Yes, sir.

Q. You have produced here, and it has been received in evidence, "Exhibit No. 17," the so-called Smith & Bull circular. There is a report printed in that of Mr. Bouvier. That is the Mr. Bouvier you referred to when you stated you had Mr. Bouvier examine the mine?

A. Yes, sir.

Redirect Examination.

Mr. McKINLEY.—Q. The 96 ounces you saw in one of the clean-ups, you do not know where it came from, whether it came from a mine or whether somebody placed it there?

A. I simply saw it taken from the sluice-boxes.

Mr. HART.—Q. Have you Mr. Bouvier's report with you?

A. No, sir, I have not.

Mr. HART.—Have you it, Mr. District Attorney?

Mr. McKINLEY.—No, I have not. Unless this witness produced it, I would not have it.

(Testimony of John Bull, Jr.)

Mr. HART.—Q. Do you know where it is?

A. No, I do not. I doubt very much whether it is in existence.

Q. The report printed in "Exhibit 17" is a correct copy of it, is it? A. Yes, sir.

Here the defendant's counsel by leave of the Court presented to the Court a motion on behalf of the defendant that the jury be instructed to return a verdict of "not guilty" in favor of the defendant, which motion was read to the Court, and the following is a copy of the same:

*In the United States District Court, for the Northern District of California.*

UNITED STATES OF AMERICA, }  
vs. }  
G. W. RUMBLE. }

Comes now the defendant, and moves the Court that the jury be instructed to return a verdict of Not Guilty in favor of the defendant, for the following reasons:

1st. The evidence in said cause is not sufficient to warrant a verdict of guilty.

2d. The evidence in said cause is wholly insufficient to establish the allegation of the indictment, and wholly insufficient to warrant a conviction of the defendant.

3d. The Government has failed to prove by the evidence in the case, the matters of fact alleged in the

third count of the indictment and upon which alleged matters of fact the said count is based.

4th. There is no testimony in the record sufficient upon which to base a verdict convicting the defendant of devising a scheme to defraud substantially as alleged in the indictment and in the third count thereof.

5th. The evidence in the case is insufficient to establish or prove that the representations stated in the third count of said indictment to have been made by said defendant in respect to the mining property of the Sunset Mining Company were untrue.

6th. The letter, a copy of which is attached to said third count of the indictment does not contain the representations which are charged in said count to have been made by the defendant, by means of the postoffice establishment of the United States of America or either or any of said representations.

And there is no charge in the indictment that the defendant ever placed in any postoffice or mailed in any manner any other letter than the one set out in said count, and there is no charge in the said count that he ever deposited or intended to deposit in the postoffice or mailed in any manner any circular whatever.

7th. The evidence in said case is not sufficient to prove that the defendant on January 1st, 1901, or at any time devised a scheme or artifice, or devised a scheme or artifice, to defraud Frank T. Terry, or Dix W. Smith or John Bull, Jr., or any other persons, as alleged in said third count of said indictment.

8th. The evidence in said case is not sufficient to prove and does not show that the scheme or artifice to defraud said parties, or either of, them, or anyone else, was to be carried on or effected with said parties, or any of them, by means of the postoffice establishment of the United States of America, as alleged in said third count of said indictment.

9th. The evidence in said case shows that the following representations, if made by said defendant to said parties, were true:

(a) That the defendant was Secretary and General Manager of the Sunset Mining Company;

(b) That said Sunset Mining Company was organized under the laws of the State of California, with an authorized capital stock of \$10,000,000 divided into 10,000,000 shares, of the par value of \$1 each;

(c) That said Sunset Mining Company was doing a general mining and mining promoting business;

(d) That said Company owned the mines referred to in said third count of said indictment;

(e) That said Old Glory mine was producing large quantities of gold;

(f) That a portion of said mines were actively and successfully worked by the said company;

(g) That the mines were producing large profits each month;

(h) That the payment of dividends was continued as represented until and including September, 1903;

10th. The evidence fails to show or prove that said Company did not own twelve gold mines in the counties

of Butte, Shasta and Siskiyou, in the State of California.

11th. Said evidence fails to show or prove that said mines were not among the best in California, not excepting any mother lode property.

12th. The evidence fails to show and does not prove that said Company did not own a modern electric gold dredge.

13th. The evidence fails to show and does not prove that the defendant ever represented that the dredge was being operated by said Sunset Mining Company in the county of Butte, and fails to show or prove that said Sunset Mining Company did not have said dredge.

14th. The evidence fails to show and does not prove that there were not thousands of tons of black gold-bearing sands in the company's properties assaying from \$500 to \$800 per ton.

15th. The evidence fails to show and does not prove that said defendant devised that he should represent, and fails to show that he did represent in his letter to said parties, or to anyone, that all of the alleged mining properties of said Company were being actively or successfully worked by the Company.

16th. The evidence fails to show and does not prove that the Sunset Mining Company did not own the properties mentioned in said letters or circulars.

17th. The evidence fails to show and does not prove that the defendant devised that he would falsely or fraudulently represent that if said parties would purchase shares of the capital stock of said company that



they would receive each and every one out of the net proceeds derived out of the workings of the various properties of the company a dividend of two per cent upon the par value of each share of stock so purchased.

18th. The evidence fails to show and does not prove that the gross proceeds of the company from its operations of the Old Glory did not amount to \$62,704.50 during the year 1902.

19th. The evidence fails to show and does not prove that the expenses of the Sunset Mining Company during the year 1902 was more than \$14,400.45.

20th. The evidence fails to show and does not prove that there was not paid in dividends during the year 1902 to the stockholders of the Sunset Mining Company the sum of \$22,812.50.

21st. The evidence fails to show and does not prove that there was not a surplus over and above operating expenses and dividends during the year 1902 of the sum of \$25,571.49.

22d. The evidence fails to show and does not prove that the defendant falsely or fraudulently represented the value of Old Glory mine to be \$5,000,000.

23d. The evidence does not show or prove that it was not of the value of \$500,000 at the time it is claimed said representations were made.

24th. The evidence fails to show and does not prove that the other properties of the company were not worth \$500,000 at the time it is claimed said representations were made.

25th. The evidence fails to show and does not prove that the resources of the Sunset Mining Company in February, 1903, were not worth 898,250.

26th. The Government has failed to prove or show that none of the alleged properties of said company were being worked or mined at a profit, or that said company has never turned in any profits from operations of said mines, or that none of the moneys alleged to have been paid to the stockholders as dividends were out of any proceeds derived by the company from operating or mining the company's property.

27th. The evidence fails to show that the defendant ever represented that the Board of Directors had declared dividends on the capital stock of the Sunset Mining Company, and fails to show that the Board of Directors at any of the times mentioned declared any dividends on the capital stock of said company.

28th. The evidence fails to show and does not prove that the money paid to stockholders as dividends was a portion of the money derived by defendant from the sale of treasury stock of said company.

29th. The evidence fails to show and does not prove that the gross receipts from the operations of the Old Glory by said company during the year 1902 was not \$62,784.50, or that the gross receipts therefrom did not exceed \$15,000, or that the surplus was not \$25,549.41.

30th. The evidence fails to show and does not prove that the Old Glory mine was not of the value of \$500,000.

31st. The evidence fails to show and it is not proven

that the other properties of the company were not of the value of \$500,000.

32d. The evidence fails to show and it is not proven that said company has no resources of any kind over and above liabilities.

33d. The evidence fails to show and does not prove that any representations made by said defendant as to the value of the properties were or are false or fraudulent; or that all or any of the representations made by the defendant concerning the properties of said company were false or fraudulent.

34th. The evidence fails to show and does not prove that the defendant at any time intended by means of false and fraudulent representations, or by any false or fraudulent representations, to induce said parties or any party to purchase shares of stock in said Sunset Mining Company at any price, or that he made any false or fraudulent representations.

35th. The evidence fails to show that the defendant intended to divert or did divert to his own use all or any of the moneys which said parties, or any party might pay or did pay for shares of stock of the Sunset Mining Company.

36th. The evidence fails to show or prove that the letter, a copy of which is inserted in the third count of the indictment in this case, was mailed by the defendant in furtherance of any artifice or scheme to defraud the persons named in said count, or any person, or in pursuance of any scheme or artifice to defraud said persons, or any person, or that said letter was mailed at

all; or that said letter was willfully, unlawfully, knowingly or feloniously, or at all, placed or caused to be placed or deposited in the postoffice establishment of the United States, in the town of Oroville; and said letter, a copy of which is set out in the third count of the indictment in this case does not prove the charges made in said count, or any or either of said charges.

37th. That aside from the letter, a copy of which is contained in said third count of the indictment in this case, there has been no letter or circular introduced or received in evidence for the purpose of proving that any representations were made by the defendant.

WM. H. H. HART,

AYLETT R. COTTON.

Attorneys for the Defendant.

Said motion having been argued by W. H. H. Hart, Esq., attorney for the defendant, the motion was denied by the Court, to which denial of said motion the defendant by his counsel at the time duly excepted.

IRA A. PEASE, recalled for the defendant.

Mr. HART.—Q. Mr. Pease, will you tell us about what is the distance from the town of Oroville and the direction, the Old Glory mine is situate?

A. It is about five miles, I believe, by the wagon road.

Q. How far is it in a straight line?

A. About  $2\frac{1}{2}$  miles, I should judge.

(Testimony of Ira A. Pease.)

Q. When did you first commence working there on that property?      A. July, 1901.

Q. What part of the month?

A. The first day of July.

Q. Were there any buildings there then?

A. Oh, yes, there were some.

Q. What buildings were there?

A. There was a bunk-house, a cook-house, a barn and a shed, and such things as that, and the mill itself.

Q. What was the condition of the works? Was there any shaft there or incline?

A. There was a shaft there.

Q. Any hoisting works upon it when you went there?

A. Yes, sir.

Q. Have any works been built since that time, or did you use the old works?

A. We altered it in a great many shapes.

Q. What is the length or depth of the incline?

A. We have an incline now; we did not have them.

Q. What did you have then when you first went there?      A. The shaft; just the shaft.

Q. About what was the depth of the shaft?

A. One hundred and sixty-five feet.

Q. Through what material did it run?

A. Gravel all the way.

Q. What was the nature of the bedrock, or the foundation upon which the gravel rested?

A. It was hard bedrock. It was soft where the shaft was.

(Testimony of Ira A. Pease.)

Q. About what was the depth of the shaft to that bedrock?

A. About 12 or 14 feet, we were down in bedrock.

Q. About what space had been taken out when you went there? How much had been mined out?

A. I should judge there was about half an acre of ground there.

Q. Was that taken out in the shape of drifts, or in a body?      A. It was taken out in a breast.

Q. It was breasted out?      A. Yes, sir.

Q. How long after you went there to work was it you commenced taking gravel out?

A. Right away, in a day or two.

Q. About how many men did you start to work with?

A. I think it was eight.

Q. And how soon did you increase the number?

A. Just as quick as we could get them—in two or three days' time.

Q. Do you remember when you made the first clean-up?      A. No, I do not really remember.

Q. About how soon after you commenced work there?

A. Our calculations were made to make it every week, and I think we did. I do not know whether we made it the first week or not; we did not do a great deal.

Q. Do you know the character of gold taken from the mine?      A. Yes, sir.

(Testimony of Ira A. Pease.)

Q. I now show this to the witness, and ask him to look at it and state if he ever saw it before.

A. I have seen the same kind of gold, surely. It looks just like the kind that comes out of the mine.

Q. Is that the character of gold that came out of the Old Glory from the time you commenced washing until you closed?

A. Yes, sir. We had some pieces that were a little browner than that. That came from one place, a little darker color. I think there is one piece there.

Q. From what you saw at the mine, would you say that gold came from Old Glory?     A. Yes, sir.

Mr. HART.—Now, Mr. McKinley, we offer this in evidence.

Mr. McKINLEY.—Q. You did not see this gold taken from Old Glory?

A. It is pretty likely I did, but not so I could say so. I saw a lot of gold come from there.

Q. You never saw any gold of this character taken from there?     A. That is the only kind.

Q. That is the only kind of gold you saw taken from there?

A. Oh, there might be a spoonful of fine gold obtained in a take-up.

Mr. HART.—Q. Have you also seen nuggets carrying quartz, in addition to these?     A. Yes, sir.

(Testimony of Ira A. Pease.)

Mr. HART.—I will pass this to the jury so they can look at it.

(The specimen was passed to the jury for inspection.)

Q. How long did you continue working in the Old Glory mine?      A. From the time we started?

Q. Yes.

A. Two years and three or four months.

Q. When was the mine shut down, if at all?

A. On the 22d of September, 1903.

Q. Do you know why it was shut down at that time?

A. It was shut down on account of the water giving out in the ditch.

Q. What was the condition of the repairs at the mine?

A. I did a good many repairs after we shut down.

Q. And then shortly after that were you served with any papers?      A. Yes, sir.

Q. An injunction prohibiting you from continuing with the work?      A. Yes, sir.

Mr. HART.—I was going to offer the injunction in evidence, your Honor.

Mr. McKINLEY.—I shall object to the injunction. I do not see what that has to do with this case.

Mr. HART.—Q. That was in the case of Dix W. Smith vs. The Sunset Mining Company, yourself, Mr. Rumble, Mr. Rogers, Mr. Armstrong, and the Crocker-Woolworth National Bank?

A. I think that it was.



(Testimony of Ira A. Pease.)

Q. And that was served on you in the early days of November, 1903.           A. Yes, sir.

Mr. HART.—We offer in evidence a certified copy of the injunction issued out of the Superior Court of the city and county of San Francisco, State of California, in a case where Dix W. Smith is plaintiff vs. The Sunset Mining Company, a corporation, Ira A. Pease, Rumble, Rogers, Armstrong, and The Crocker-Woolworth National Bank, defendants. By this we claim that the injunction has prohibited the defendants from working and operating this mine. It also asks for the appointment of a receiver.

Mr. McKINLEY.—That is objected to as immaterial and irrelevant.

The COURT.—What is the date of the injunction?

Mr. HART.—The date of the injunction is the 27th of October, 1903, a few days before this indictment was found.

The COURT.—What is the date of that letter?

Mr. McKINLEY.—The letter was dated the 7th of October and this was after the date of the charge contained in the indictment.

The COURT.—The objection is sustained. You have got the fact that work was stopped there by reason of the injunction.

Mr. McKINLEY.—By reason, in the first place, of water defects and repairs.

(Testimony of Ira A. Pease.)

Mr. HART.—Yes, and then by the injunction. Will your Honor permit us to mark this as an exhibit so we can preserve our exception?

The COURT.—Yes; the ground of the ruling is that if there was any offense committed, it was committed before the issuance of the injunction; the 7th of October is the last date. If any offense was committed that is the date on which it was committed under this indictment.

(The paper was marked Defendant's Exhibit "E" for identification.)

Mr. HART.—Q. How often did you clean up at the mine?

A. We make it a rule to clean up every week.

Q. On what day?

A. Saturday or Sunday; Sunday generally was the rule.

Q. About what was the largest clean-up there at any one time that you can recall?

A. I have not got the figures. Mr. Rumble told me, I believe. It was very big. It was in the neighborhood of 300 ounces, I believe.

Q. That was the largest clean-up?

A. Yes, sir, that I remember about.

Q. What was the smallest clean-up?

A. Fourteen or fifteen ounces.

Q. How often was it fourteen or fifteen ounces?

(Testimony of Ira A. Pease.)

A. Oh, I do not know; it was not a great many times that way.

Q. What would you say was the average clean-up per week during the year 1902; in ounces?

A. I could not give that, I do not think.

Q. Are there any clean-ups that you remember as to amount?           A. Yes, all those I took myself.

Q. How many did you take yourself?

A. I took out 50 ounces one time and 60 ounces another time when he was not there.

Q. When Mr. Rumble was not there?

A. Yes; there was one bigger than that, but I have forgotten what it was.

Q. What was the length of that sluice, Mr. Pease?

A. About 250 feet, I think, the first length, and then they went into a ground sluice about 150 feet, and then we had about 60 feet beyond that.

Q. In your weekly clean-ups, how much would you clean up?

A. We would only take up where we washed, about 50 feet or so, or something like that.

Q. That would be the first 50 feet?           A. Yes, sir.

Q. What do you know about this gold coming out of the mine at the clean-ups?           {

A. I supposed it all came out of the mine.

Q. You superintend the work?           A. Yes, sir.

Q. How did you mine it? How did you take it out?

A. It was taken out in cars and run up in the dump.

(Testimony of Ira A. Pease.)

Q. And from the dump where did it go to?

A. It went into the sluice-boxes.

Q. And you cleaned up how many times when Mr. Rumble was not present?

A. I could not give it exactly; it was not over 6 or 7 times I guess, altogether.

Q. That was during what year—1902?

A. 1902 and 1903.

Q. And during those times you say you had how much at each time?

A. There are two I remember of; one was 50 ounces and the other 60—62 or 63.

Q. And when was the clean-up when you had 300 ounces?

A. I do not know what month that was in. I think it was along about June, 1902, or somewhere along in there; I am not certain about it, but it is along there somewhere.

Q. How many cars of dirt did you take out a day out of the mine?

A. We averaged it somewhere in the neighborhood of 100.

Q. An average of 100?           A. Yes, sir.

Q. Did you ever pan out any of that gravel—test it?

A. Oh, yes. I made the test right along.

Q. You made the test yourself?           A. Yes, sir.

Q. What did you find in those tests?

A. We used to test every Monday morning as a gen-

(Testimony of Ira A. Pease.)

eral rule—Monday, and sometimes running into Tuesday. We would take 5 or 6 cars from every drift, and from the breast we used to take maybe 30 or 40, according to what was there, and I tested that and kept count of it, and some would run a dollar and a half, some two dollars, some three dollars, five dollars. We took out nine cars that ran \$64 and something.

Q. And those tests you made yourself?

A. Yes, sir.

Q. About how much has been taken out of the mine altogether—how much space?

A. I think if it was put together it would be two and one-half acres or close on to three acres.

Q. That is, when you quit work there was close on to three acres taken out?      A. Yes, sir.

Q. And there was about half an acre when you first commenced work?      A. Just about, yes, sir.

Q. Do you know from whom that property was purchased?      A. Yes, sir.

Q. From whom?      A. John Wagner.

Mr. HART.—If the Court please, I desire to offer in evidence the abstract of title to this property, in order to have bringing the records from Butte County down here. Mr. McKinley has examined the abstract, and we will offer this in evidence instead of the records. That has been agreed upon by the counsel.

The COURT.—Very well.

Mr. McKINLEY.—That is as to Old Glory?

(Testimony of Ira A. Pease.)

Mr. HART.—Yes.

Mr. McKINLEY.—The abstract can speak for itself and can be referred to.

Mr. HART.—Then I will offer the abstract in evidence and we can refer to it.

The COURT.—Yes.

Mr. HART.—If your Honor please, I offer in evidence the abstract of the Old Glory mine, and ask that it be marked Defendant's Exhibit "F." What I want to call the Court's attention specially to is the United States patent issued to W. C. Hendricks and from Hendricks to Wagner and then by mesne conveyances to G. W. Rumble, and from G. W. Rumble to the Sunset Mining Company on the 9th day of July, 1901, recorded August 30th, 1902, Liber 66 of Deeds, page 199, records of Butte County.

Mr. McKINLEY.—There is one thing that appears here and that is a fact, and that is, that it was recorded at the request of this defendant. It should appear there, and I want that stipulated to, that that deed was recorded at the request of the defendant, the deed from Rumble to the Sunset Mining Company dated July 9th, 1901, recorded August 30th, 1902. It was recorded and acknowledged March 24, 1902—at least it was acknowledged before James Mason, notary public. It was recorded at the request of the defendant Rumble.

(Testimony of Ira A. Pease.)

Mr. HART.—I do not know whether it was or not, but I presume it was.

Mr. McKINLEY.—It was. I state that to be a fact.

Mr. HART.—I presume so, as he was the manager of the company.

The following is a memorandum from the aforesaid Abstract of Title of the Old Glory mine:

**Defendant's Exhibit "F."**

United States to W. C. Hendricks—Patent—Dated Feb. 26, 1879.

Wm. C. Hendricks to John Wagner, Frederick Voss and Richard Heinrichs—Deed—Dated Aug. 11, 1877. Consideration, \$1.00.

John Guidery, Administrator of Estate of John Voss, deceased, to John Wagner—Deed—Dated June 20, 1890. Consideration, \$500 for undivided half of forty acres.

John Guidery, Administrator of Estate of John Voss, deceased, to John Wagner—Deed—dated April 18, 1891. Consideration, \$40.00 for 12.83 Acres.

John Wagner to G. W. Rumble—Deed—Dated June 29, 1901—Recorded July 3, 1901. Consideration, \$6,000.00—being in all for 52.83 acres more or less.

G. W. Rumble to John Wagner—Mortgage—Dated June 29, 1901, Recorded July 3, 1901—to secure payment of six promissory notes for \$500 each aggregating \$3,000.

Satisfied Oct. 7, 1901, on mortgage of record.

(Testimony of Ira A. Pease.)

D. Heinricks, by his Attorney in fact, John Wagner to G. W. Rumble—Deed—Dated Aug. 30, 1901, Recorded, Sept. 28, 1901. Consideration, \$1.00, for 12.83 acres.

George W. Rumble to Sunset Mining Company (a Corporation)—Deed—Dated July 9, 1901. Recorded, Aug. 30, 1902. Consideration \$10.00 for 52.83 acres more or less.

United States Patent July 16, 1892, to John Wagner and Johann Voss north half of north half of southwest fourth, sec. 29, T. 20 N. R. 4 E. 40 acres.

Q. When you commenced work, you stated you started with eight men?

A. Yes, sir, about that.

Q. And you afterwards increased the number?

A. Yes, sir.

Q. To what number of men did you increase the force?

A. Running on an average about 15.

Q. And your average cars per day was about how many?

A. About 100.

Q. Would that be about the average for your entire time after you got the mine open the first week or two up to the time you closed?

A. Yes, sir.

Q. And what was the richest car you tested?

A. There were nine cars I took out that went between \$63 and \$64.

Q. And the poorest car you tested produced how much?



(Testimony of Ira A. Pease.)

A. It might have been about a dollar or somewhere along there.

Q. Do you know whether or not there is a quartz claim in connection with the Old Glory mine?

A. Yes, sir.

Q. Who had possession of it?

A. Mr. Rumble, or the Sunset Company, I do not know which.

Q. How far was that quartz claim located from where you were working?

A. Fifteen hundred feet perhaps, or more.

Q. How large a claim was that—in the length and breadth, if you know?

A. I think about in the neighborhood of 50 acres.

Q. I am speaking of the quartz claim?

A. The quartz claim in the old Morris ravine I suppose you are speaking of?

Q. Yes, that is it.

A. I understood there were 50 acres. I do not know.

Q. How many acres in the Old Glory mine?

A. What has been taken in is 80 acres.

Q. Eighty acres?           A. Yes, sir.

Mr. McKINLEY.—I suggest that in that connection, the abstract of the Old Glory mine is in evidence, and that is the best evidence.

The COURT.—I think that is so. The objection is sustained.

(Testimony of Ira A. Pease.)

Mr. HART.—We take an exception.

Q. Was the company in possession of this 80-acre tract you refer to as Old Glory mine, and the description that is read in evidence here, during the time you were working there from July, 1901, up to the time of shutting down the work?

The COURT.—I do not see any necessity of going into that, because that has been proved here over and over again by pretty nearly every witness that has been on the stand, that the Sunset Mining Company, or Mr. Rumble, did have possession of the Old Glory mine.

Mr. HART.—Your Honor is right about that. The only trouble so far is that the witnesses have not designated to what extent the possession went. I am trying to show it went to something more than where they were excavating the gravel.

Mr. HART.—Q. This property which you have been referring to as Old Glory is the same property which you state was purchased from John Wagner?

A. Yes—

Mr. McKINLEY.—I object to that as calling for the opinion of the witness and not the best evidence.

The COURT.—The objection is overruled.

Mr. HART.—Q. How many hours a day did you work the mine?

A. Ten hours.

Q. And how many days a week?

(Testimony of Ira A. Pease.)

A. We generally worked six days unless there was something broke down or something.

Q. As a matter of fact, you continued to work generally and continuously from the time you started in until you closed on the 22 day of September, 1903?

A. Yes, sir.

Q. You stated that at one time you cleaned up as low as 15 or 16 ounces, if I remember you correctly?

A. Yes, sir.

Q. What length of sluice did you clean up for that?

A. Just the same as we always do, about 50 feet.

Q. How often did you clean up the entire sluice?

A. At one time it was three months and another time it was five months apart.

Q. Then what is referred to as the weekly clean-ups was the first 50 or 60 feet of the sluices?

A. Yes, sir.

Q. That is where you got the bulk of your coarse gold?

A. Yes, sir.

Q. Where did you spend your time—in the mine or out of it?

A. I was in the mine, or around it, nearly all the time.

Q. About what depth of gravel did you excavate?

A. It ran from 5 to 7 feet.

Q. In height from the bedrock up?

A. Yes, sir, according to how it broke.

Q. Was that gravel or dirt?           A. All gravel.

(Testimony of Ira A. Pease.)

Q. About what was the size of the gravel?

A. It was all sizes. We had some as big as a bucket and some smaller. We had some boulders in it, but not very large ones.

Q. How much time did you spend on an average a day under ground, if any?      A. Not very long.

Q. What did you do when you were on the surface?

A. Sometimes I was tinkering around, or running out a car, or something.

Q. Who would dump the cars into the box, or whatever you put the gravel into—what did you have?

A. We had what we call a dump.

Q. What was the size and nature of the dump?

A. It was about forty feet wide and 80 feet long.

Q. And you would dump the gravel into that, and from that it would go into the sluice?      A. Yes, sir.

Q. You had a hatchway or a gate, did you?

A. We had it boarded over, and when we were washing it we would take up a board at a time and let it fill in.

Q. Did you wash every day or once a week?

A. We washed twice a day generally.

Q. Twice a day?      A. Yes, sir.

Q. Who would attend to running the gravel from the dump into the sluices?

A. Sometimes I was there, and sometimes a man named Orton; he was the general man who attended to it.

(Testimony of Ira A. Pease.)

Q. And you know that gravel which came from the mine was dumped into that dump? A. Yes, sir.

Q. And from there it ran into the sluices?

A. Yes, sir.

Q. And those are the same sluices from which you took this gold? A. Yes, sir.

Q. About how many days a week would Mr. Rumble stay at the property, if any?

A. He generally came on Friday night on the 11 o'clock train; would get up to the mine somewhere about 12, and he would stay there and go home generally on Sunday or on Monday.

Q. How many clean-ups did you make when he was not there?

A. I do not know exactly; probably six or seven; it was very few.

Q. Did you find gold in those clean-ups?

A. Yes, sir.

Q. Did you ever examine the drifts or the face of the breast in that mine at any time? A. Yes, sir.

Q. Did you ever find any gold yourself?

A. I never did, only twice, my attention was called by the miners to it.

Q. How large pieces did you find?

A. They just showed them to me; it was in the gravel. They were not very big.

Q. As a matter of fact, it is quite exceptional to find gold in the face of the drift, is it not?

(Testimony of Ira A. Pease.)

A. Yes, sir. You only find it when you wash it out.

Q. Will you tell us how many cubic feet there are in a car?

A. Our cars would go, if I remember right, about half a yard. There is a little difference in the sizes but that is taking it on an average.

Q. When you speak of 100 cars you mean that there would be about 50 yards?      A. Yes, sir.

Q. You figure 27 cubic feet to the yard?

A. Yes, sir.

Q. The Amo Hydraulic mine property, is that the same as the Old Glory, or different property?

A. It is different.

Q. How far was it located from the Old Glory?

A. That is one side of the river, and the other is on the other side.

Q. Do you know of any property that was in the possession of the Sunset Mining Company, called the Hewitt property?      A. Yes, sir.

Q. What name did that have other than Hewitt?

A. We gave it the name of the Amo.

Mr. McKINLEY.—Q. You gave it that name?

A. That is the name I understood it went by.

Mr. HART.—Q. Do you know where the Fuller property was?      A. Yes, sir.

Q. Was that a different piece from the Amo mine?

A. It adjoins on to it.

(Testimony of Ira A. Pease.)

Q. But the Amo Hydraulic mine, the one that Mr. Fuller was connected with, is different from the Hewitt property?

A. Well, yes; I expect it is. They join together.

Mr. McKINLEY.—I ask that that go out. The witness simply thinks.

Mr. HART.—They join together.

The COURT.—That is the substance of his testimony, that they join together.

Mr. HART.—Q. How many acres in the Amo mine, not including the Fuller? A. About 80, I think.

Mr. McKINLEY.—I object to that as not the best evidence.

The COURT.—Let the question be answered.

Mr. HART.—He has answered it. We offer in evidence the abstract of title of the Hewitt mine, pages 10 to 57 inclusive of this abstract, and starting out with "The United States to J. B. Hewitt," a patent, and ending with a deed from G. W. Rumble to the Sunset Mining Company. The mesne conveyances between the two show the title in Mr. Rumble. The title obtained by Mr. Rumble is set forth on page 54 and represents a deed dated March 12, 1901, recorded March 21, 1902, Liber 44 of Deeds, page 163, records of Butte County. The deed from Mr. Rumble to the Sunset Mining Company is dated July 9, 1901, recorded August 30, 1902, in Liber 66 of

(A. Pease.)

Deeds, page 201, records of Butte County; acknowledged March 24, 1902, before James Mason, a notary public in and for the city and county of San Francisco, State of California, and covers the west half of the northwest quarter of section 10, township 19 north, range 4 east, Mt. Diablo base and meridian, containing 80 acres. Will you consider this as read in evidence, that is, the portion I have referred to from pages 10 to 57 inclusive?

Mr. McKINLEY.—Yes, certainly. I have no objection to the abstract.

Mr. HART.—Will you Honor consider it read?

The COURT.—Certainly.

Mr. HART.—We offer that abstract in evidence and ask that it be marked Defendant's Exhibit "G."

(The document is marked Defendant's Exhibit "G.")

The following is a memorandum from said Abstract of Title marked Exhibit "G."

### Defendant's Exhibit "G."

80 acres.

United States to J. B. Hewitt—Patent—Dated July 30, 1879.

J. B. Hewitt to Sarah J. Hewitt—Deed—Dated Dec. 20, 1879—Consideration, \$1.00.

Sarah J. Hewitt to J. B. Hewitt—Deed—Dated January 14, 1880. Consideration, \$1.00.



(Testimony of Ira A. Pease.)

J. B. Hewitt to Frederick F. Low—Deed—Dated June 21, 1880. Consideration, \$10.00.

F. F. Low to J. B. Hewitt—Deed—Dated March 8, 1882. Consideration, \$1.00.

In Matter Estate J. B. Hewitt, Deceased. The land involved herein was appraised at the value of \$500.00 May 20, 1891.

Fred H. Hewitt to Emma E. Hewitt (his wife)—Deed. Dated June 12, 1891. Consideration, love and affection.

Emma E. Hewitt and Fred H. Hewitt (her husband) to Sarah De Mott. Mortgage—to secure payment of \$900 in two years at 10 per cent. Dated Oct. 13, 1896.

Fred H. Hewitt and Emma Hewitt (his wife) to J. W. Cummins and Walter M. Willett—Bond of Deed—for sale of this land for \$3500.00. Dated July 30, 1897.

Land purchased by G. W. Rumble at foreclosure sale for \$1,205.15 on July 21, 1900.

Fred H. Hewitt and Emma E. Hewitt to G. W. Rumble—Deed—Dated July 7, 1900. Recorded Aug. 6, 1900. Consideration, \$1.00.

C. F. Beldering (as Commissioner) to G. W. Rumble—Deed—Dated March 12, 1901. Recorded March 21, 1902. Consideration, \$1,205.15.

George W. Rumble to Sunset Mining Company (a corporation). Deed. Dated July 9, 1901. Recorded August 30, 1902. Consideration, \$10.00.

Mr. McKINLEY.—I want the record to show we do not admit that is the property known as the Amo mine.

(Testimony of Ira A. Pease.)

Mr. HART.—Q. Mr Pease, I want to show you this nugget of gold and ask you to look at it and state if you ever saw it before (handing)?      A. Yes, sir.

Q. Where did you see it?

A. I saw it in the sluice-box.

Q. In what sluice-box?      A. In the Old Glory.

Q. When did you see it there?

A. I cannot give the date when I saw it there.

Mr. HART.—Q. You took it from the sluice-box?

A. No, sir.

Q. Who did take it?      A. A fellow named Orton.

Q. In your presence?      A. Yes, sir.

Q. What did he do with it?

A. Handed it to me.

Q. What did you do with it?

A. I kept it until Mr. Rumble came out.

Q. Was Mr. Rumble there at the time you found it?

A. No, sir.

Q. Were you washing gravel at that time?

A. We were washing in the morning, and I expect it came down.

Q. And that was found by you in going where?

A. I was standing on the steps and the boys were coming out, five or six of them, and Orton turned around and said, "Look a there," and he turned around and picked it up and handed it to me.

Q. And when he said, "Look a there," you turned around and saw it in the sluice?      A. Yes, sir.

(Testimony of Ira A. Pease.)

Q. And that came from the washing in Old Glory?

A. Yes, sir.

Mr. HART.—We offer that in evidence. I will pass it to the jury for them to look at. I would like to have it marked for identification.

(Marked Defendant's Exhibit "H.")

Q. At the time you turned up the 300 ounces of gold in the Old Glory, did you clean up the entire sluice?

A. No, sir.

Q. What length of sluice did you clean up at that time? A. About the same length we always do.

Q. About what amount of gold did you usually obtain below 50 or 60 feet of sluice you cleaned up each week? In other words, what did the balance of the odd 100 feet or more produce?

A. I think we took up a little over \$500 once; it was somewhere in that neighborhood. It was a long time since we cleaned it up.

Mr. McKINLEY.—Q. So that a portion of it only was cleaned up about every two or three months and yielded about \$500.

Mr. HART.—I think they cleaned it more often than that.

Q. How often did you clean that up?

A. I think from the time we started in it might have averaged about three months.

Q. Was that what was known as the ground sluice?

(Testimony of Ira A. Pease.)

A. No, sir, it was the boxes below where we cleaned up like.

Q. And you say that would average about \$500 for each clean-up?

A. Somewhere in that neighborhood, I do not remember exactly.

Q. Then the specifications of the number of ounces you cleaned up, were in the first 50 or 60 feet?

A. Yes, sir.

Q. You mentioned in answer to one question I put to you something about ground-sluiice; did you ever clean that up?      A. Yes, sir.

Q. How frequently?      A. Only once.

Q. What did you find in that?

A. We found somewhere in the neighborhood of \$1,200.

Q. Describe what you mean by ground sluiice.

A. We have a row of boxes, about 14, that run from the dump down to the ground-sluiice, and it drops off into bedrock, and that runs 150 feet, and the dirt goes into that after it goes through the sluiices, and we have another sluiice on the other side of that that catches it, and it goes out again 60 feet. This rock dropped off in a hole and it stays there.

Q. And it is the lower box you found the \$1,200?

A. Yes, sir, the ground-sluiice.

Q. When was that made?      A. In July.

Q. Of 1901 or 1902?

(Testimony of Ira A. Pease.)

A. In July of 1903. I am pretty sure it was July. I know it was awful hot.

Q. Where did your men board when you were in the Old Glory mine?

A. I think four of them boarded at home, and the rest of them boarded with us.

Q. Did you work on the Amo Hydraulic property?

A. Yes, sir.

Q. That was the property held by contract with Mr. Fuller?

A. I suppose so, yes, sir.

Q. How many acres were there of that?

A. Twenty, I understood.

The COURT.—Q. You say that this Amo Hydraulic mine is one that was owned by Fuller. Is that what you said?

A. Yes, sir.

Q. And that is the piece of property that is across the river from Old Glory; it does not join it?

A. No, it does not join the Old Glory. It is not near it.

Mr. HART.—Q. And the Hewitt property, or what you call the Amo, adjoins the Amo Hydraulic?

A. Yes, sir.

Q. How far apart are those properties from the Old Glory?

A. On a straight line, there would be a mile or a mile and a half, or something.

Q. Did you ever prospect on the Fuller property?

A. I did not myself. I know of Mr. Rumble doing it.

(Testimony of Ira A. Pease.)

Q. Did you know anything about any of the black sand there that was taken from that claim, or the adjoining claim?      A. Yes, sir, I do.

Q. What do you know about it?

A. I know there was lots of it.

Q. Why did you say there was lots of it?

A. Because I helped put it up there.

Q. That is, you washed it out?

A. We washed some of it, yes, sir.

Q. At what quantity per cubic yard is there black sand in that gravel?

A. That would be hard for me to figure it out.

Q. Did you see any of the gravel on the Amo Hydraulic property?      A. Yes, sir.

Q. How much?      A. I could not say how much.

Q. How much black sand did you save out of that?

A. There was tons of it. I could not say how many.

Q. Are you able to make an estimate of the amount of black sand you could produce per cubic yard or per ton—what per cent?

A. I do not believe I am good enough on figures to do that.

Q. The Hewitt property—was there any work done on that by the Company?

A. No, sir, not that I know of.

Q. Do you know whether Mr. Rumble took any of the black sand from that deposit after it had been washed out and took it away?      A. Yes, sir.

(Testimony of Ira A. Pease.)

Q. To what extent did he take it away?

A. He took it away in some small sacks.

Q. When did he take that?

A. Several times he took up some.

Q. Did he take any before he commenced working at the Old Glory?

A. Oh, yes, before he commenced working the Old Glory.

Q. But you do not know what he did with it?

A. I understood that he took it to have it assayed—

Mr. McKINLEY.—I object to the understanding of the witness.

The COURT.—The objection is sustained.

Mr. HART.—We take an exception.

Q. All you know is, he left with it? You knew it went away from there?

A. Yes, sir; I helped him put it in the sacks.

Q. About what was the depth of the gravel on this claim that you hydraulicked?

Mr. McKINLEY.—What claim do you refer to, General?

Mr. HART.—The Amo Hydraulic.

A. We started in on the rim of the rock and it was 40 feet, and it ran from that to 120 feet I guess, to the bank.

Q. How long did you work that property?

(Testimony of Ira A. Pease.)

A. We put in from six to eight months there I guess.

Mr. McKINLEY.—You propose to prove that the Company owned the land covered by this abstract which I hold in my hand?

Mr. HART.—Yes.

Mr. McKINLEY.—Put it in.

Mr. HART.—I offer in evidence that abstract of title to all that land in the county of Butte, State of California, described, as follows, to wit: The east three-quarters of the southeast quarter of the northeast quarter, and the east three-quarters of the northeast quarter of the southeast quarter of section 6, township 19 north of range 4 east, Mt. Diablo base and meridian, containing 60 acres. Then follows, commencing with page one, down to and including the whole of page 40, the first being the caption, the next the index, then the plat of the property, then the Tax Collector's sale, United States patent to John Edwards, and then by mesne conveyances to Stevens, Stevens to Rumble, and then the estate of Retson, executors, etc., against Stevens, G. W. Rumble; John Retson executor, to Mary W. Billings, is the last.

Mr. HART.—This will be considered as read, your Honor?

The COURT.—Yes.



(Testimony of Ira A. Pease.)

Mr. HART.—I ask that this be marked Defendant's Exhibit "I." In this connection, if your Honor please, I offer in evidence a deed—

(The abstract is marked Defendant's Exhibit "I.")  
The following is in said abstract, Exhibit "I."

### **Defendant's Exhibit "I."**

John Retson, Executor of the last will and testament of John Edwards, deceased, to Mary W. Billings. Deed dated Sept. 18, 1902. Recorded Oct. 10, 1902. Consideration \$1800.00.

Description of land. Fractional east half of southeast fourth of northeast fourth and fractional east half of northeast fourth of southeast fourth of section 6, township 19, N. R. 4 E. M. D. M., containing sixty acres.

(The deed was marked Defendant's Exhibit "J.")

Mr. HART.—This deed reads:

### **Defendant's Exhibit "J."**

This indenture, made this ninth day of October, in the year of our Lord one thousand nine hundred and two (1902) between Mary W. Billings (a widow), the party of the first part, and Sunset Mining Company, a corporation organized and existing under the laws of the State of California, the party of the second part, witnesseth: That the said party of the first part, for and in consideration of the sum of one dollar, and other valuable considerations, said money being of the United

(Testimony of Ira A. Pease.)

States of America, to her in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, do by these presents grant, bargain, sell, convey and confirm unto the said party of the second part, and to its successors and assigns, forever, all that certain lot, piece or parcel of land situate, lying and being in the County of Butte, State of California, and bounded and particularly described as follows, to wit: Fractional east one-half of the southeast quarter of northeast quarter, and fractional east one-half of northeast quarter of southeast quarter of section six (6), in township nineteen (19) north, range four (4) east of Mount Diablo base and meridian (said property is also described as the east three-fourths of southeast quarter of northeast quarter and east three-fourths of northeast quarter of southeast quarter of section six (6), in township nineteen (19) north, range four (4) east of Mount Diablo base and meridian), containing sixty (60) acres of land.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

To have and to hold all and singular the said premises, together with the appurtenances unto the said party of the second part, and to its successors and assigns forever.

(Testimony of Ira A. Pease.)

In witness whereof, the said party of the first part has hereunto set her hand and seal, the day and year first above written.

MARY W. BILLINGS. [Seal]

Signed, sealed and delivered in the presence of:

State of California, }  
City and County of San Francisco. } ss.

On this ninth day of October, in the year one thousand nine hundred and two, before me, John J. Deane, a notary public in and for the said City and County, residing therein, duly commissioned and sworn, personally appeared Mary W. Billings (a widow) known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.

In witness whereof, I have hereunto set my hand and affixed my official seal at my office in the city and county of San Francisco, the day and year in this certificate first above written.

[Seal]

JOHN J. DEANE,

Notary Public, in and for said City and County of San Francisco, State of California.

Room 102, Chronicle Bldg.

[Endorsed]: "Mary W. Billings to Sunset Mining Co. Deed. Dated October, A. D. 1902. No. 4154. U. S. v. Rumble, Deft. Exhibit "J." May 16, '04. J. S. Manley, Deputy Clerk."

(Testimony of Ira A. Pease.)

The deed of which the foregoing is a copy has never been recorded.

Q. Do you know where this 60-acre tract is situated?

A. Yes, sir.

Q. Were you ever on the property?

A. Yes, sir.

Q. How far is that from the Old Glory mine?

A. About two and one-half miles.

Q. How far is it from the Amo and the Amo Hydraulic property?      A. It is three miles.

Q. What sort of land is it? How does it lay?

A. It is a low, flat piece of land.

Q. Do you know of the dredgers working there at Oroville?      A. Yes, sir.

Q. Is it such land that could be dredged?

A. Yes, sir—

Mr. McKINLEY.—I object to that as immaterial, irrelevant and incompetent, and calling for the opinion of the witness.      !

The COURT.—I think the witness would know that. He is a miner and has operated land there.

Mr. HART.—Q. When did you first see this land?

A. I first saw it a while before we took up the Old Glory mine.

Q. A while before you went to Old Glory?

A. Yes, sir.

Q. Did you ever do any work upon that land?

A. I did.

(Testimony of Ira A. Pease.)

Q. Did you ever superintend any work upon it?

A. I did.

Q. Tell the jury what you did.

A. We sunk a shaft there, and worked it considerably.

Q. How did you work it?

A. By hoisting the dirt and washing it out.

Q. How deep was the shaft?

A. I think it was 39 feet.

Q. Was it all gravel?           A. Yes, sir.

Q. Did you sink more than one shaft?

A. There were lots of shafts sunk on there. Mr. Rumble had some men sink the rest of them.

Q. You saw them sunk?

A. Oh, yes, I was there every day or two.

Q. About how many shafts were sunk on that 60-acre tract?

A. I think he had six or seven sunk besides the one I sunk.

Q. How far apart?

A. One hundred feet, one of them, or 150 feet or something like that.

Q. Did you see any of the gravel from those shafts?

A. No, sir, not from them.

Q. Did you see any of the gravel washed in your presence?           A. No, sir.

Q. Did you make any tests?

A. No, sir, he had a man there testing it.

Q. Who was the man?

(Testimony of Ira A. Pease.)

A. A man by the name of Bayne.

Q. And he did the washing?

A. Yes, sir, he did the washing out.

Q. Did you see the results of it?

A. No, sir, I do not know that I did.

Q. Did you see any gravel from the shaft you sunk?

A. Yes, sir.

Q. How much of that did you wash?

A. Pretty nearly all of it, or I was there at the time it was washed.

Q. How many yards were there in that shaft?

A. Our dump there held 27 yards.

Q. And you washed that out yourself?

A. Yes, sir; we worked it by hand and raised it by horse, and we used to wash on an average of a little over once a week.

Q. Do you know what that yielded per cubic yard?

A. The first we got up we did not have the box quite full; we calculated it would hold 27 yards, and it went \$28, the first wash.

Q. It went one dollar a yard?

A. A little better than a dollar a yard.

Q. As to the balance of the property, you did not make the wash or have anything to do with the testing?

A. No, sir, I did not have anything to do with that.

Q. When was it you washed up the gravel from that shaft?

A. It was in 1901; along in the fall of 1901, I think.

Q. The fall of 1901?           A. Yes, sir.

(Testimony of Ira A. Pease.)

Q. You say that it is quite a level property, is it?

A. Yes, sir, it sloped to the middle.

Q. Is it all gravel-bearing?

A. Yes, sir; there was one corner that had a few boulders in it, lava on top. I do not know what it would be under it.

Q. When did you come to California first?

A. 1900.

Q. What time did you arrive here?

A. I arrived here on the 14th of April and I went to work on the 15th.

Q. You went to work the next day?

A. Yes, sir.

Q. Where did you go to work?

A. I went to work on the Amo Hydraulic mine.

Q. Did you go direct to San Francisco or did you go direct to Oroville?

A. I came to San Francisco and went to Oroville that afternoon, and got there in the morning.

Q. The same afternoon you arrived?

A. Yes, sir.

Q. Is it not a fact that since the mine was shut down on September 22d, you have kept the water out of the mine in order to keep it in proper condition to be examined and viewed and to resume work if directed to do so?

Mr. McKINLEY.—I object to that as immaterial, irrelevant and incompetent.

(Testimony of Ira A. Pease.)

The COURT.—The objection is sustained.

Mr. HART.—We take an exception.

Cross-examination.

Mr. McKINLEY.—Q. I understand you to say you shut down the operations in the mine, on the 22d of September, 1903?

A. Yes, sir, I believe that is it.

Q. And the shut-down was due to trouble with water, as you have already stated, was it?

A. Yes, sir.

Q. When were you ready to start up again, after that?

A. We got ready to start up in two weeks from that time, but we did not start for some reason.

Q. You did not start? You do not know why?

A. I do not know really.

Q. Was there anything wrong with the water at that time, two weeks from that time when you were ready to start up?

A. I could not say that there was, because I was in San Francisco when I got the news to start, and when I got out there I had not gone to the ditch. I do not know whether there was water there or not.

Q. But all the men were on hand ready to go on with the work?

A. The principal part of them were on hand, I guess.

Q. They were paid off and dismissed, were they not?

A. They had been paid off.



(Testimony of Ira A. Pease.)

Q. And they have not been back there since. Do you know why the mine was shut down at that time?

A. On account of water.

Q. I mean after you remedied that?

A. It was not shut down. We had not started.

Q. But you were ready to start—everything was in shape?

A. That is what we thought we were.

Q. What prevented you from starting in then?

A. I do not know.

Q. From whom did you get orders, if you got any, not to start?

A. Mr. Rumble, I think.

Q. Mr. Rumble told you not to start?

A. He said he was not ready.

Q. But, as far as you knew, everything was in shape—all right? You have already stated, I believe, that the miners did not work in the mine on Sundays?

A. Yes, sir.

Q. They did not? A. No.

Q. And the clean-ups that you have testified to, almost invariably took place on Sundays, did they?

A. That was the general rule.

Q. As a general rule none of the miners were around working when the clean-ups were made?

A. They boarded there. They had made their cabins right there.

Q. But they did not work at these things?

A. No.

Q. In answer to counsel's question, you stated you had taken out something like two acres or so of the

(Testimony of Ira A. Pease.)

ground of the Old Glory property. What proportion of that two acres was waste?

A. The waste was the boulders; that was about all.

Q. What proportion of the two acres would you say was waste?      A. Maybe one-eighth of it.

Q. Did you not stow a lot of the waste down below in the mine?

A. Yes, we would make the piers out of the boulders.

Q. You say that Mr. Rumble gave the name "Amo" to that Hewitt property?

A. It went by the name of Amo. I do not know exactly whether he started it or who started it; that is the way it went.

Q. That is all you know about it?

A. Yes, sir. It went by the name of Amo.

Q. You do not know that property by metes and bounds, and you do not know the Old Glory property by metes and bounds, do you, or anything of that sort?

A. Yes, I do.

Q. You could not give a description of the property?

A. Yes, sir, I could, pretty near.

Q. By section and township and range, and all that sort of thing?

A. Oh, no, I could not give the figures.

Q. There was a nugget that has been introduced in evidence which you say was found in the sluice-box; can you give us the approximate date when that was found?

(Testimony of Ira A. Pease.)

A. I could not. I could if I had my memorandum-book here.

Q. Can you tell me what part of the mine you were working in when you found that nugget?

A. We were working all over; we were running drifts and breasts in three or four different directions.

Q. In what direction was the pay-dirt coming from? In what portion of the mine was it coming from at the time you found that nugget in the sluice-box?

A. It was coming from four or five different directions.

Q. You do not know just what portion of the mine it came from?      A. I do not, no, sir.

Q. It might have been that portion of the mine that went over into somebody else's ground for all you know?

A. I know it did not.

Q. You said on your direct examination that the average stuff that came out of the mine was represented by these pieces in that bottle?      A. Yes, sir.

Q. That is not of the same character as the pieces in that bottle?

A. I have seen pieces just as large as that.

Q. That is not of the same character as these?

A. Yes, it is; if you take and wash that off, it will look just as good as these.

Q. But none of them are as large as that?

A. No, but I have seen a good many of them that were very near it.

(Testimony of Ira A. Pease.)

Q. Did you not say that Old Glory was a gravel mine?      A. Yes, sir.

Q. Is not that a piece of quartz?

A. Yes, sir, it is. But there is quartz in Old Glory. There is a quartz ledge in it.

Q. In what portion of the Old Glory mine is that quartz located?      A. It is the southeast part.

Q. Adjoining what property?

A. It was on our own property. The ledge was not adjoining any property.

Q. It was on the southeast side?

A. Yes, sir.

Q. You spoke of a ground-slucice clean-up in July, 1903, of \$1,200. How often was that ground-slucice cleaned up?

A. That is the only time that I know anything about.

Q. That ground-slucice clean-up in July, 1903, was \$1,200, was it?

A. It was very close to that, either one way or the other; it was very near that.

Q. About that?      A. Yes, sir, about that.

Q. And that represented about how many ounces?

A. About 60 or 80 ounces. You can figure it up. I cannot figure it. I can tell in a few minutes. I cannot figure it in my head.

Q. You say you washed gravel in that property which counsel has designated as the dredging property, in the fall of 1901?      A. Yes, sir.

(Testimony of Ira A. Pease.)

Q. How long did you work on that yourself?

A. We worked there I think about six weeks.

Q. And you have not done any work on it since then?

A. No, I have not. Mr. Rumble had those shafts done after that.

Q. But you have no personal knowledge on that score at all?      A. No.

Q. The last work you know of being done there, of your own knowledge, was when you were there in the fall of 1901?

A. Yes, sir. I was there and saw some work done, but I do not know what they got out of it.

Q. Did you ever save any of the black sand you spoke of from the Amo mine?

A. We saved it, yes, for the time being.

Q. How much black sand was there in the Amo?

A. There was piles of it. I had a platform as long as this house built over it.

Q. Did you ever ship any of it?

A. Nothing more than what he took for samples and for testing.

Q. How much did he take away from there? Did he take away anything like thousands and thousands of tons of black sand from there?

Mr. HART.—I object to the question as not proper cross-examination.

The COURT.—The objection is overruled.

A. Not that I know of.

(Testimony of Ira A. Pease.)

Mr. McKINLEY.—Q. The most that you ever saw Mr. Rumble take away was just the samples you speak of?      A. Yes, sir.

Q. Did you ever take out any gold from the Amo Hydraulic mine; that is, the Fuller tract?

A. No. In the clean-ups Mr. Rumble had a man there he called "Friday"; he used to do the clean-ups for him.

Q. Why did he ever abandon work on this Amo Hydraulic proposition, if you know?

A. If I understood it right, water was one of the troubles.

Q. Was it not also for the reason that it did not pay?

A. That I cannot say.

JAMES K. BULGER, recalled for the defendants.

Mr. HART.—Q. You are the gentleman who is the official from The Selby Smelting and Lead Works?

A. Yes, sir.

Q. I now show you a Certificate of Assay, No. 828, and ask you to look at it, and state if you know if that has come from your works (handing)?

A. Yes, sir.

Q. By whom were the assays made?

A. Mr. Miller.

Q. Who entered them on the books?      A. I did.

Q. Can you say that that is a correct assay?

A. Yes, sir.

(Testimony of James K. Bulger.)

Q. Can you tell us for whom that was made, at the time it was made?

A. It was made for Mr. Rumble.

Q. The defendant in this case? A. Yes, sir.

Mr. HART.—Mr. McKinley, we offer this in evidence.

Mr. McKINLEY.—I see no objection to it.

(The document is marked Defendant's Exhibit "K.")

Mr. HART.—This reads:

**Defendant's Exhibit "K."**

**SELBY SMELTING AND LEAD COMPANY.**

**CERTIFICATE OF ASSAY.**

Office, 416 Montgomery St.,

San Francisco; June 1; 1900.

Sample of Black Sand Received from G. W. Rumble,

Mark —

No. 828. Assay per ton of 2,000 lbs.

Gold	Silver a 60 cts.	Total
27.96 Ozs. \$577.98	0.94 ozs. \$0.56	\$578.54

Charges \$2.00. Entered J. K. B.

WM. P. MILLER Jr.,

Assayer.

Q. I now show you another document marked "Duplicate," No. 1149, and ask you if that was made at your company's office? A. Yes, sir.

Q. And assayed by the same party?

A. Yes, sir.

(Testimony of James K. Bulger.)

Q. And entered on the books by you?

A. Yes, sir.

Q. And that is correct? A. Yes, sir.

Q. For whom was it made?

A. For Mr. Rumble.

Q. At the date it bears? A. Yes, sir.

Q. And you so entered it on the books?

A. Yes, sir.

Mr. HART.—We offer that in evidence.

Mr. McKINLEY.—I have no objection to it.

(The document is marked Defendant's Exhibit "L.")

Mr. HART.—This reads:

### Defendant's Exhibit "L."

SELBY SMELTING AND LEAD COMPANY.

CERTIFICATE OF ASSAY.

(Duplicate)

Office 416 Montgomery St.

San Francisco, June 28, 1900.

Sample of Black Sand Received from G. W. Rumble,  
Mark ———.

No. 1149.	Assay per Ton of 2,000 lbs.	
Gold.	Silver a 61 $\frac{1}{4}$ cts.	Total.
37.60 ozs. \$777.26.	1.10 ozs. \$0.67.	\$777.93,

Charged \$2.00. Entered J. K. B.

WM. P. MILLER Jr.,

Assayer.



(Testimony of James K. Bulger.)

Q. Did you examine any of the gold that was melted at your refinery for Mr. Rumble?      A. Yes, sir.

Q. I now show you Defendant's Exhibit "D" containing this gold in this bottle and ask you if that is similar gold to that which was worked up by your Company?      A. I would have to see the memorandums.

Q. I show you "United States Exhibit 38"?

A. This 4,179 would not be the same.

Q. That part would not be?      A. No, sir.

Q. Now, look at the others?

A. There might have been some of it in 4548 and in 4924.

Q. Now, tell the jury in reference to the character of gold that was assayed. What do you designate it as?

A. We describe the first one as an amalgam lump, as out of a retort.

Q. And then the second one says "Dust and"—what does that mean?

A. That says "Dust and amalgam."

Q. And also the others the same?      A. Yes, sir.

THOMAS H. FRANCIS, called for the defendant, sworn, testified as follows:

Mr. HART.—Q. Mr. Francis, where do you reside?

A. Oroville.

Q. How long have you resided in Oroville?

A. About 10 years.

Q. During that time what has been your business?

(Testimony of Thomas H. Francis.)

A. Miner.

Q. Where did you reside previous to that 10 years?

A. In the State of Nevada.

Q. What part of Nevada?

A. I have been all over the State of Nevada.

Q. What was your business then?           A. Miner.

Q. What class of mining?

A. Quartz mining at that time.

Q. Did you ever do any gravel mining in Nevada?

A. No, sir.

Q. Did you ever do any gravel mining during the 10 years you resided at Oroville?           A. I have.

Q. To what extent?

A. About three or four years.

Q. What mines did you work in?

A. Principally in the Old Glory, some in the Yuba, some on a lease for myself; I leased a piece of ground.

Q. Do you know the defendant George W. Rumble?

A. I do.

Q. When did you first become acquainted with him?

A. In 1901.

Q. What part of 1901?

A. Sometime in the latter part of March or in April.

Q. Did you ever do any work for the Sunset Mining Company?           A. Yes, sir.

Q. When first?

A. I commenced work for the Sunset Mining Company on the 15th of July, 1901.

(Testimony of Thomas H. Francis.)

Q. Where?           A. At the Old Glory mine.

Q. What was the nature of the work you commenced there?           A. Gravel.

Q. Doing what?           A. Mining.

Q. Under ground?           A. Yes, sir.

Q. About how much had been worked out when you commenced work there?

A. I have only my own estimation for it.

Q. That is what I want?

A. By going around it, I should judge it would be about half an acre, more or less.

Q. I now show you Defendant's Exhibit "A," and ask you to look at it, and state if from that you can recognize the place where you worked?           A. Yes, sir.

Q. Is that picture approximately correct as the property was at the time you commenced work?

A. Yes, sir, it is a very good picture of the surrounding country.

Q. And this upper cliff here, is what kind of ground?

A. Lava, or table.

Q. About what is the thickness of that lava where that cliff is?           A. Probably 100 feet.

Q. How long did you continue to work underground at that mine?           A. About 26 months.

Q. What was the nature of your work during all of that time? What I mean is, did you do any drilling, any blasting, or what did you do? Tell the jury and the Court.

(Testimony of Thomas H. Francis.)

A. Certainly. I drilled and blasted, shoveled, and picked with a pick. I did all kinds of work under ground that was necessary.

Q. What was the nature of that gravel as to being hard or soft?

A. Some of it is harder than others. It is what is called a cement gravel.

Q. Did it require any blasting?           A. Yes, sir.

Q. To what extent?

A. We had to blast very nearly all.

Q. Why did you have to blast it?

A. Because it was too hard to pick.

Q. In other words, you made progress by blasting?

A. Certainly.

Q. What was the nature of the bedrock in that claim?           A. Soft, as a general thing.

Q. Was it level or pitching?

A. Pitching—rolling, as we call it.

Q. Which way was the general pitch?

A. South and southwest.

Q. Towards the lava or away from it?

A. Away from it. At the west it pitches towards the lava and at the south it pitches away from it, towards the river.

Q. What was the nature of the rock, soft or rough?

A. It was rough that we blasted. What it was before that, we could not tell.

Q. What was the nature of the bedrock next to the

(Testimony of Thomas H. Francis.)

gravel? Did it have the appearance of being washed, or what was the nature of it?

A. If we happened to get a piece of gravel off the bedrock it seemed to be smooth, where it had been washed.

Q. What was the nature of the gravel in there, whether it was washed gravel or rough gravel?

A. There was considerable washed-gravel, washed rock in it from the boulders.

Q. What was the characters of the boulders—what kind of rock?

A. Some round one; some quartz boulders in them and others what we call cyanide, long picky boulders.

Q. Any granite?

A. Very little, not to amount to anything.

Q. Do you know anything about the country lying to the north and northeast of where this claim is located?

A. I know the country, yes, sir.

Q. Is it not a fact, that in the space of country for several miles and many miles to the north and northeast, there is no granite in place?

A. There is no granite in that part of the country we know of, in less than seven or eight miles, and from that to 15 miles, from the town of Oroville.

Q. What was the nature of the boulders you found there? Smooth or rough, washed or otherwise?

A. Washed.

(Testimony of Thomas H. Francis.)

Q. The other rock, boulders in that gravel, in addition to the granite; that is, I mean the larger boulders—of what character of rock were they?

A. I am not expert enough on rock.

Q. Are there any iron boulders in there?

A. We have several kinds of iron in mining.

Q. Did you find any in this property?

A. We found some pyrites of iron there.

Q. What amount of gravel was taken out in working this property, that is, what depth from the bedrock up?

A. From six to 7 or 8 feet. We generally tried to run it about six feet high.

Q. How much ground was worked over, that is, square feet or distance, during the 26 months you refer to?

A. Somewhere along two acres, I should judge, in my estimation.

Q. That would make about 2 and  $\frac{1}{2}$  acres worked out?

A. Yes, sir.

Q. Was that worked out to the depth of 6 or 7 feet as you described?

A. That is what we worked it, yes, sir.

Q. Then when the gravel was blasted down, it was shovelled up into the cars?

A. Yes, sir.

Q. And taken out and dumped into the dump?

A. Yes, sir.

Q. Did you run any of the cars?

A. Very few.

(Testimony of Thomas H. Francis.)

Q. Did you shovel any into the cars?

A. Yes, sir.

Q. Did you ever prospect the gravel for gold?

A. In what way?

Q. In any way, and if so what?

A. I prospected the breast after the last gravel was shovelled out.

Q. What did you find?           A. Gold.

Q. Did you find it in the gravel and in the mine?

A. I found it in the gravel and in the bottom of the gravel and in the bedrock.

Q. What was the largest piece of gold you yourself saw personally while working there?

A. I could not say exactly. I never had it weighed and never saw it weighed, but I should judge it looks—

Mr. McKINLEY.—I object to the witness' judgment of it.

The COURT.—He can approximate it.

A. I should judge twenty-five or thirty dollars or maybe more; that is only my judgment.

Mr. HART.—Q. How many of those did you see?

A. I saw quite a number of them; not all that large.

Q. I now show you Defendant's Exhibit "D" and ask you to look at it and state if that is the character of some of the gold you saw while working there?

A. That is Old Glory gold.

Q. You are sure of that, are you?

A. I am very near positive of it by looking at it.

(Testimony of Thomas H. Francis.)

Q. Have you seen any pieces or nuggets of gold there found by the others working with you?

A. I have.

Q. To what extent?           A. Considerable of it.

Q. Have you seen any of the gravel washed?

A. Have I seen it washed in the sluice-boxes?

Q. Yes?           A. Only from a distance.

Q. About how many hours would you work a day?

A. Ten hours we were supposed to.

Q. How many men worked there when you worked there?

A. Underground, or around the mine?

Q. Say underground first?

A. Say 13 underground.

Q. And how many on the surface?           A. Four.

Q. Did that include Mr. Pease?           A. Yes, sir.

Q. And it included yourself?           A. Yes, sir.

Q. How many carloads a day would you shovel up and take out?           A. All hands?

Q. Yes?           A. From 80 to 127.

Q. From 80 to 127?           A. Yes, sir.

Q. What made the difference?

A. Some days we would break more with the blasting than we would on other days. Some days a carman would lay off, or some of the shovellers. Some days something else would happen.

Q. What distance was it from the foot of the incline to the shaft?



(Testimony of Thomas H. Francis.)

A. It depends which way we went to those breasts. There were two or three different drifts running to those breasts.

Q. How many different drifts did you have in the mine while you were working there?

A. That is a hard question for me to answer. There were a good many of them. I run a good many of them myself.

Q. Were you taking out the usual amount of gravel for the few days before the mine shut down?

A. Yes, sir.

Q. Do you know whether that gravel was paying gravel, and if so, was it?      A. Yes, sir.

Q. Do you know why the mine shut down, and if so why?

A. We were laid off on account of water.

Q. Do you know the property called the Fuller property or the Amo Hydraulic mine?      A. I know of it.

Q. Do you know of the Hewitt property called the Amo mine?

A. I know of it, and that is all.

Q. You never worked on it?      A. No, sir.

Q. Do you know about the 60 acre dredging property. Did you ever do any work on that?

A. I did work on a piece of property. I had a lease of it at one time.

Q. What was the name of that property?

A. It was called the "Jack Edwards" property.

(Testimony of Thomas H. Francis.)

Q. Whom did you lease from?

A. A man by the name of Jack Edwards.

Q. About where was the property located?

A. About two miles from Oroville.

Q. What was the tract of land—about how large?

A. Sixty acres, I think it was.

Q. Known as the "John Edwards" property?

A. Yes, sir.

Q. What was the kind of work you did there?

A. I sunk a shaft there and took out gravel.

Q. When did you sink those shafts?

A. I sunk a shaft there in April and March, 1891,

Q. 1891?           A. Of 1901.

Q. You mean 1901?           A. Yes, sir.

Q. For whom were you working then?

A. I was working for myself.

Q. How many shafts did you sink?

A. I sunk one, but before I sunk the shaft I sold out my lease to Mr. Rumble.

Q. You sold your lease to Mr. Rumble?

A. Yes, sir.

Q. Did you make a test of that?

A. I did not, no, sir.

Q. Did you make a test of any of the gravel on that property?           A. I did.

Q. What was the result of your test?

A. Not enough to pay us for working it—that is, for drifting it.

(Testimony of Thomas H. Francis.)

Q. It would not pay to drift?           A. No, sir.

Q. Did you make an estimate as to how much it would produce a cubic yard?

A. I never did myself, but my partner did.

Q. You do not know yourself what that would produce?

A. No, sir; only what he told me after he made the measurement.

Q. You say you transferred your lease to Mr. Rumble?           A. I sold my lease to Mr. Rumble.

Q. Do you know if Mr. Rumble sunk any shaft on that property?           A. I know he did.

Q. Did you assist in doing that?           A. No, sir.

Cross-examination.

Mr. McKINLEY.—Q. Why did you give up the lease you had?

A. Because I considered it would not pay me.

Q. It would not pay you, so you turned it over to Mr. Rumble? That is gold dredging property?

Mr. HART.—Yes, we admit that.

Mr. McKINLEY.—It would not pay.

Mr. HART.—It would not pay him to drift it.

Mr. McKINLEY.—All right. That is enough for my purpose.

Q. When you were laid off in September, 1903, it was on account of trouble with the water?

(Testimony of Thomas H. Francis.)

A. We had been laying off then for about a week.

Q. There was no strike or labor troubles or anything of that kind up there?

A. Nothing that I know of.

Q. Was there ever at any time that you were there anything like labor troubles, a strike or anything of that sort?

A. No, sir.

Redirect Examination.

Mr. HART.—Q. When you say that would not pay you, you mean it would not pay you to drift it?

A. It would not pay me to drift it, no, sir.

THOMAS K. WILLIAMS, called for the defendant, sworn:

Mr. HART.—Q. Mr. Williams, how old are you?

A. I am 43 years of age.

Q. What is your business?           A. A miner.

Q. How long have you been engaged in that business?

A. Twenty-three years.

Q. Where?           A. In Butte County and in Idaho.

Q. How long in Butte County?

A. I have spent the biggest part of my time in Butte County. I was eight months in Idaho.

Q. Where were you in Butte County?

A. Around Dogtown.

Q. What portion of that time have you been engaged in drift mining?

(Testimony of Thomas K. Williams.)

A. I have been in drift mining—most of the mining I have done has been underground drifting.

Q. For how many years?

A. About 18 or 20 years, I guess.

Q. Do you know the defendant Mr. Rumble?

A. I do.

Q. When did you first become acquainted with him?

A. I have known Mr. Rumble pretty near ever since he has been there at the mine.

Q. How long is that?

A. I cannot tell you exactly the time myself; I never keep track of it.

Q. Did you perform any work for him, or the Sunset Mining Company?

A. No, sir; the Old Glory mine, they called it, that is all I knew about it.

Q. I say, you performed work for Mr. Rumble?

A. Yes, sir.

Q. And the Sunset Mining Company?

A. I do not know whether it was the Sunset Mining Company. It was the Old Glory mine.

Q. Where was it located?

A. In Morris Ravine.

Q. How far from Oroville?      A. About four miles.

Q. In which direction?      A. North.

Q. When did you commence working in the Old Glory mine?

A. I believe in 1903, I guess it was; I worked about

(Testimony of Thomas K. Williams.)

a year and a half for Mr. Rumble, up to the time the mine was shut down.

Q. Do you remember when it was shut down?

A. In September.

Q. September last?           A. Yes, sir.

Q. You worked for eighteen months preceding the time the mine shut down?           A. Yes, sir.

Q. What sort of work did you do?

A. I drifted and I breasted.

Q. You mean by that, taking out the gravel?

A. Yes, sir.

Q. What height of gravel was taken out from the bedrock up?           A. About 5 or 7 feet.

Q. How many cars a day?

A. About an average of 100 cars.

Q. Did you ever find any gold while working the drift?

A. Not in the drift, but in the breast.

Q. What is the difference between the drift and the breast? What is a drift?

A. A drift is about the same as a tunnel.

Q. About how wide?

A. About five feet wide and about 6 feet high.

Q. Tell the jury what you mean by breasting out?

A. You run the drift in so far, and you have a pretty good prospect may be, and you say you will take a breast out there, and you breast out may be 15 or 20 feet or may be 100.

(Testimony of Thomas K. Williams.)

Q. In width?           A. Yes, sir.

Q. In breasting out did you ever find any gold?

A. Yes, sir.

Q. How large were the pieces?

A. I think pieces from \$30 to \$40.

Q. Many of them?

A. I have seen a few, not a great many, because I never took much notice. It is hard for a man to see it in gravel when he has a candle working there. I have seen it a few times in the mine.

Q. Did you ever find any on the bedrock?

A. Yes, sir.

Q. What size pieces?

A. Those are the kinds of pieces I am speaking of.

Q. How did you drift this out? Did you have to do any drilling?           A. Yes, sir.

Q. And blasting?           A. Yes, sir.

Q. What depth of holes would you put in?

A. About two feet deep.

Q. And blast them out?           A. Yes, sir.

Q. With dynamite?           A. With powder—giant.

Q. No. 1 or 2?           A. No. 2.

Q. And after the blast went off you would go in and find the loose gravel?           A. Yes, sir.

Q. And there you would find the gold?

A. No, sir, we would shovel it all out and then on the face you would see it.

Q. As a matter of fact, you shoveled up the gravel,

(Testimony of Thomas K. Williams.)

and in the little portion that was left you would find these nuggets?      A. Yes, sir.

Q. I now ask you the kind of work you did there during the entire time? In other words, did you do that work all the time you were there for the 18 months?

A. I worked in gravel all the time, drilling, blasting and shoveling. I have worked in quartz mines besides in Idaho.

Q. I am speaking now while you were working in the Old Glory mine?      A. Yes, sir.

Q. How many men worked with you?

A. I believe there were about 13 to 15 men, there.

Q. All the time you were there?      A. Yes, sir.

Q. Where did you board?

A. I boarded at home.

Q. How far away?

A. I should judge about a mile, I guess.

Q. I now show you Defendant's Exhibit "D" and ask you to look at it and its contents, and state whether or not from the appearance of that gold, you can tell whether it is the same as that that came from Old Glory?

A. Yes, sir, it looks very much like it to me. If it is not, it could not come nearer to being it.

Q. I now show you Defendant's Exhibit "H" and ask you to look at it and state if you ever saw that before?

A. No, sir, I never saw it.

Q. You never saw it before?



(Testimony of Thomas K. Williams.)

A. No, sir, but I have seen similar to it out of some mines I am working myself adjoining it.

Q. How far is this mine you are working from Old Glory?

A. The mine that I have leased is adjoining the mine that Mr. Rumble is working.

Q. How far away were you working? You say you have found similar gold to this in another mine?

A. In a mine I am working right now.

Q. What I want to know is, how far is the spot where you are now working, from Old Glory?

A. I guess it is 500 or 600 yards, or more.

Q. What is that? Is it a quartz vein?

A. No, sir, it is gravel.

Q. Similar bedrock to Old Glory?

A. Yes, sir.

Q. And is the gravel deposit continuous from where you are working to Old Glory?      A. Yes, sir.

Q. In fact, that is a very rich country there, is it not?

A. It has been all over. Cherokee mine I suppose is the richest that has ever been around there.

Q. How far is the Cherokee mine from Old Glory?

A. About six miles.

Q. Who was the superintendent while you were working at Old Glory?      A. Mr. Pease.

Q. Do you know where the Amo mine is?

A. I know about where it is. I was only once in there myself.

(Testimony of Thomas K. Williams.)

Q. Did you ever do any work on the dredging property?

A. I have been there twice. I go by there often, nearly every day or so.

Q. Do you know where the dredging property is that is claimed by the Sunset?      A. Yes, sir.

Q. Did you ever sink any shaft on that property?

A. No, sir.

Q. Or prospect?      A. No, sir.

Q. You did no work on that property?

A. No, sir.

Q. Was this gravel in the Old Glory paying when you left?

Mr. McKINLEY.—I object to that because it is not shown the witness knows. He is not competent.

The COURT.—I think he would be if he know what was taken out.

A. I have no idea as to what was taken out.

Mr. HART.—Q. As to the amount that was taken out.

A. No, sir.

Q. When you quit there, September 22, 1903, were you in gravel similar to the gravel that had been taken out?      A. Yes, sir.

Q. What was the gravel in the face of the drifts at that time?      A. From 5 to 7 feet.

(Testimony of Thomas K. Williams.)

Q. In other words, the appearance of the mine, so far as it was not worked, was the same as it was when it was previously worked?      A. Yes, sir.

Q. The bedrock was the same?      A. Yes, sir.

Q. The character of the gravel was the same?

A. Yes, sir.

Cross-examination.

Mr. McKINLEY.—Q. You never saw any nuggets of this description in the Old Glory mine?

A. No, sir, not in the Old Glory.

Mrs. C. J. BROWN, recalled for the defendant.

Mr. HART.—Q. Mrs. Brown, you were on the stand the other day?      A. Yes, sir.

Q. You stated that you had done some work for Mr. Rumble?      A. Yes, sir.

Q. In his office in San Francisco?      A. Yes, sir.

Q. In the Chronicle Building?      A. Yes, sir.

Q. When was that?

A. I went to work in August, 1901.

Q. And how long did you remain there?

A. Until January, 1902.

Q. During that time did you see the defendant sell any gold in his office?      A. I did.

Q. How often?

A. I do not know how often; a good many times.

Q. In what quantities?

A. Do you mean how many dollars?

(Testimony of Mrs. C. J. Brown.)

Q. Yes, or how many nuggets—how large? Just describe them?

Mr. McKINLEY.—I object to that line of examination, unless it is shown that this witness knows where that gold came from, and all about it.

Mr. HART.—We cannot show everything at once.

The COURT.—Let the question be answered.

A. I have seen him sell it in small quantities and in large.

Mr. HART.—Q. How large was the largest quantity?

A. I do not know—a sack full.

Q. Were you present at the time it was sold?

A. I was in the other room.

Q. You saw him selling it to other people?

A. Yes, sir.

Q. When was that? A. It was in 1902.

Q. You have visited the Old Glory mine, have you not? A. Yes, sir.

Q. How many times were you there?

A. Twice.

Q. At what time were you there the first time?

A. I do not know whether it was September or October. It was very soon after I went in the office, but I do not know which month it was.

Q. That would be September or October, 1901?

A. Yes, sir.

Q. Was there any clean-up at the mine while you were there? A. Yes, sir.

(Testimony of Mrs. C. J. Brown.)

Q. You were simply a visitor, were you—or did you go to look at it, to invest in stock?

A. No, I went because people who came into the office asked me about it.

Q. Did you see that clean-up, the first one there?

A. I did.

Q. About how much gold was cleaned up at that time?

Mr. McKINLEY.—I object to that on the ground that it is not shown the witness is competent to answer such a question.

The COURT.—May be she knows. Do you know how much?

A. About a quart, I should think. It was in a pan like a milk pan.

Q. And similar gold to that which is set forth in Defendant's Exhibit "D"?

Mr. McKINLEY.—I object to that unless it is shown she is competent to make comparisons.

The COURT.—It would not take an expert to know that.

A. It looked like that.

Mr. HART.—Q. You were there then a second time?

A. Yes, sir.

Q. And when was that?

A. That was in May, 1902.

(Testimony of Mrs. C. J. Brown.)

Q. In May, 1902.

A. I am quite sure it was in 1902. It was in the spring of 1902.

Q. Was there a clean-up while you were there then?

A. Yes, sir.

Q. What amount of gold was taken out then?

A. That is when I say it was half a pan full.

Q. That half a pan of gold was about as much as a 10-quart milkpan?

A. I should not think it was that large a pan. I should think it was about a 6 or 8 quart.

Q. Was it an ordinary mining pan?

A. Yes, sir, an ordinary mining pan.

Q. And you say it was half full?

A. Yes, sir, I should judge so.

Q. Was not that the same kind of gold that is in Defendant's Exhibit "D" that I show you?

A. It looked just the same.

Q. Did you lift it?           A. I tried to.

Q. Was it too heavy for you?

A. Yes, sir. There were a number of ladies there and they all tried to lift it.

Q. And it was so heavy that you did not lift it with ease?

A. No, we did not take it anywhere. We just lifted it to see how heavy it was.

Q. While you were working in Mr. Rumble's office, do

(Testimony of Mrs. C. J. Brown.)

you know whether or not the office was robbed on any day?      A. I do.

Q. When was that?      A. On the 9th of June.

Q. What year?      A. 1902.

Q. Did you lose anything at that time?

A. I did.

Q. What did you lose?

A. I lost \$250 in coin and all the jewelry I had from childhood except one pair of bracelets and one pin.

Q. You left that in the office when you went out?

A. Yes, sir.

Cross-examination.

Mr. McKINLEY.—Q. You say you visited the Old Glory mine the first time because people used to come into the office and ask you about it?

A. And people wrote about it, too.

Q. Do you know of anybody that Mr. Rumble sold gold to?

A. I do not know the people's names. I know he sold gold to nearly everyone that came from the East.

Q. Did you ever see him get any money for these bags of gold?

A. I did not see him get money, no.

Q. How do you know that he was selling gold at all?

A. Because I took the account when it was paid.

Q. When you spoke about one or two quarts of gold

(Testimony of Mrs. C. J. Brown.)

in these clean-ups, you do not mean two quarts of pure gold, do you, or anything like that?

A. It looked like that; that looks dirty.

Redirect Examination.

Mr. HART.—Q. Did you see anyone pay him for gold at the mine?

A. I do not remember. I do not think anyone ever paid at the mine. I took the slips. When Mr. Rumble weighed the gold I put down how much, and then when they came to the office they settled with him. I did not get any money.

H. A. HARDINGE, called for the defendant, sworn.

Mr. HART.—Q. What is your full name?

A. Harley A. Hardinge.

Q. Where do you reside?

A. San Jose, or rather Los Gatos. I actually reside in Los Gatos, but my office is in San Jose.

Q. How long have you resided in Santa Clara County? A. Ten years.

Q. What is your business? A. Attorney.

Q. How long have you been engaged in that business?

A. Since 1897 or 1898—September 6th. I am not positive; it is either of those years.

Q. Do you know Mr. Rumble? A. Yes, sir.

Q. How long have you known him?

A. Since the winter of 1899 and 1900.



(Testimony of H. A. Hardinge.)

Q. Did you ever have any business relations with him?      A. I did.

Q. In what capacity?

A. I was the attorney for some time for the Sunset Mining Company.

Q. When did you become attorney for that Company?

A. In the fall of 1901.

Q. Did you ever examine the by-laws of the Sunset Mining Company?      A. I have seen them.

Q. When did you commence doing business for the company?      A. In the fall of 1901.

Q. And how long did you continue to do business?

A. Until the 18th of September, 1903.

Q. During that time did you have occasion to visit Mr. Rumble at his office?      A. Yes, sir.

Q. In San Francisco?      A. Quite often.

Q. Did you know Mr. Henry Armstrong, one of the directors of that company?

A. Yes, sir, that is, I have seen him.

Q. Do you know Mr. Frank Rogers?

A. I did not.

Q. Did you ever see Mr. Rumble sell any gold in his office?      A. I have.

Q. To what extent?

A. One time when I was in the office he sold several thousand dollars worth of gold.

Q. Do you know to whom?

A. I think I would know the name if I heard it. I cannot recall it at present.

(Testimony of H. A. Hardinge.)

Q. Mr. Hood?           A. Yes, that is the name.

Q. You were present at the time of that one transaction?  
A. Yes, sir.

Q. How was the same paid for?

A. It was paid for in paper money mostly, and some gold.

Q. When was that?

A. That was in the early part or middle of April.

Q. What year?           A. 1903.

Q. Did you ever meet a Mr. Edwin Chapman at his office?  
A. I did.

Q. When did you meet him there?

A. That was about March of the same year.

Q. Did you have anything to do with organizing the Bank of Alliance—by counseling it, or anything of that kind?  
A. I did.

Q. What business did Mr. Chapman have?

A. He was connected with the bank.

Q. Where did you see him?

A. In Mr. Rumble's office.

Q. And you say you think that was in March, 1903?

A. I think so; I would not be positive as to the time. It might have been the latter part of February or along the first of March, I am not positive as to the exact time; it was shortly after he got the bank charter from the State.

Q. How frequently did you consult Mr. Rumble, or

(Testimony of H. A. Hardinge.)

did Mr. Rumble consult you, in reference to the business of the Sunset Mining Company?

A. Sometimes I would be at the office a couple of times a week, or sometimes he would come to see me a couple of times a week and sometimes he would write down for opinions and I would write them out and send them up.

Q. Do you know that at some particular time there was a question over the title to property at Oroville?

A. Yes, sir.

Q. And for some time that was pending before it was settled?

A. Yes, sir.

Q. The litigation was afterwards settled, was it not?

A. You mean the title was quieted?

Q. Yes?

A. Yes, sir.

Q. And thereupon the property was deeded to Mr. Rumble and the company?

A. Yes, sir.

Q. About how many months were you counsel for the Sunset Mining Company?

A. From about September, 1901, to September, 1903.

Q. About two years time?

A. Yes, sir.

Cross-examination.

Mr. McKINLEY.—Q. What was Mr. Chapman's business?

A. I do not know. I just simply met him in Mr. Rumble's office.

Q. What was his appearance—describe him—what did he look like?

(Testimony of H. A. Hardinge.)

A. He was a large, heavy-set gentleman, about as large as Mr. O'Connell; I think he was broader-shouldered.

Q. You do not know what his business was?

A. He had something to do with the bank. That is all I know about his business.

Q. With the Alliance Bank do you mean?

A. Yes, sir.

Q. How much business did that Alliance Bank do?

A. That I could not say.

Q. Did it have any funds on hand?

A. I do not know; I was not cashier.

Q. You incorporated that bank?

A. I attended to incorporating the bank. I did not say I incorporated it.

Q. You were attorney for it, were you not?

A. No, sir, I was not attorney for it.

Q. You were Mr. Rumble's attorney, as a rule, in connection with his ventures?

A. What do you mean by the term "ventures"?

Q. Well, the Alliance Bank matter for instance, and the Sunset Mining Company?

A. Yes, I told him when to incorporate the Alliance Bank. I furnished the articles of incorporation the same as a similar bank in San Jose—The Garden City Bank and Trust Company.

Q. Did you draw the articles yourself?

A. I did not.

(Testimony of H. A. Hardinge.)

Q. Were they drawn by Mr. Chapman?

A. That I could not say. I do not know, I did not draw them.

Q. What business did Mr. Chapman happen to have on that occasion at Mr. Rumble's office?

A. I told you I did not know.

Q. What fact or circumstances makes you so very certain that you saw one Edwin Chapman in March, 1903. You do not know anything about who he is, what he is, or anything, except that you met him in Mr. Rumble's office? What makes you say it was in March, 1902?

A. I said it was shortly after he got his charter from the State for the bank, and he got his charter along about the 4th or 5th or 6th of February.

Q. What particular fact impresses that meeting on your mind? Was the business of the bank transacted there at that time? A. It was talked over.

Q. Did not Chapman consult with you on other occasions? Did not the cashier of the bank consult with you as attorney?

A. I never saw the gentleman but on that one occasion.

Q. You used to go up there frequently to the office?

A. Sometimes I would be up there real often, maybe two or three times a week and then it would be some little time before I was up there.

(Testimony of H. A. Hardinge.)

Q. The name "Alliance Bank" was on that door, was it not?      A. What do you mean by that door?

Q. The room in the Chronicle Building—the room you used to go to two or three times a week?

A. It was on the door of the room the help was in, but not on the door of Mr. Rumble's private room.

Q. Notwithstanding the fact that the name was on the door there all the time, you never saw the cashier there on other occasions, did you?

A. I never met this gentleman only once.

Q. How do you remember his name was Edwin Chapman?

A. I did not say his name was Edwin Chapman.

Q. You were asked if you met one Edwin Chapman?

A. I think I was asked if I met a Mr. Chapman.

Q. You were asked about a Mr. Edwin Chapman?

A. Well, I did not know his name was Edwin Chapman. If I said that I wish to correct my testimony and say I met a Mr. Chapman who was connected with the Alliance Bank.

Q. That is, whom you understood was connected with the Alliance Bank?      A. Yes, sir.

Q. What does this Mr. Hood do, who bought several thousand dollars' worth of gold there?

A. I do not know.

Q. You were the attorney for the company and you saw a transaction take place there in your presence in-

(Testimony of H. A. Hardinge.)

volving several thousand dollars, and you do not know anything about the transaction or the man?

A. He paid his money and got his gold.

Q. You do not know anything about him outside of that?

A. I am not acquainted with the gentleman.

Q. You say a part of that was paid for in paper money. Who counted the paper money?

A. I think they both counted it.

Q. Who else was there at the time this gold was sold? Was Chapman there on that occasion?

A. Chapman was not there on that occasion.

Q. Was anybody else there besides you and Mr. Rumble? A. The help.

Q. What help was there?

A. I could not say. I do not remember what help was there. He generally had two women in the office all the time.

Q. What legal services did you perform for the Sunset Mining Company?

Mr. HART.—I object to the question as not proper cross-examination.

The COURT.—The objection is overruled.

Mr. HART.—We take an exception.

A. I performed whatever work I was requested to.

Q. During how long a period?

A. About two years.

(Testimony of H. A. Hardinge.)

Q. Were you paid for those services regularly?

A. Not regularly, no, sir.

Q. Were you paid in full for them?

A. No, sir.

Q. Who paid you?           A. Mr. Rumble.

Q. What was the nature of those services?

A. Advising the company.

Q. As a matter of fact, did you ever advise with anybody besides Mr. Rumble?

A. Mrs. Allington, the President.

Q. Who is she?

A. She was president of the company.

Q. She is now?

A. Not now; she was the president of the company.

Q. Where did she live? Where was her residence?

A. She informed me she lived in New York. I do not know where she is of my own knowledge.

Q. You brought a suit against the Sunset Mining Company, did you not, in Santa Clara County, for services and you have a judgment against it now, have you not?

Mr. HART.—I object to the question as not proper cross-examination.

The COURT.—The objection is overruled.

Mr. HART.—We take an exception.

A. I think I have

Q. What was the amount of that judgment?



(Testimony of H. A. Hardinge.)

Mr. HART.—Object to the question as immaterial, irrelevant and incompetent and not the best evidence.

The COURT.—The objection is overruled.

(Defendant excepted.)

A. One thousand nine hundred dollars, and accruing costs. I think it is a little over \$1900.

Mr. McKINLEY.—Q. Did you say something about having written opinions for the Sunset Mining Company?

A. I have.

Q. On what subjects or matters?

A. Relating to the business of the company.

Q. To whom did you furnish those opinions?

A. Mr. Rumble.

Q. Did you ever consult on the business of the company with Mr. Ira A. Pease, the president of the company?

A. I did not.

Q. Did you ever have any official dealings with Mr. Ira A. Pease as president at all?

A. I never saw Mr. Pease until this trial—until a week before the trial—excuse me.

Q. Did you ever advise the Board of Directors, at any meeting which they held?

A. Yes, sir.

Q. Who was present at that Board of Directors' meeting?

A. I do not know. I was not present. I advised them.

Q. You never were present at a meeting of the Board of Directors?

A. I never was present.

(Testimony of H. A. Hardinge.)

Q. You know nothing about whether or not a meeting was ever held?

A. No, I do not, only what I was told.

Q. Never mind about what you was told. You furnished the opinions supposedly for the information of the Board of Directors?

A. Yes, sir.

Q. You say you do not know this party Frank Rogers who was down as a consulting Director?

A. No, sir; that is, I have never met him.

Q. You say you knew Henry Armstrong?

A. I had seen him.

Q. Who is Henry Armstrong?

A. I do not know.

Q. One of the directors of the company, of which you were a director, and you do not know him?

A. That is correct.

Q. How many times have you ever met him?

A. Only once.

Q. You met him once and you met Chapman once.

A. Yes, sir.

Q. Did you meet them together?

A. No, sir.

Q. Where did you meet Armstrong?

A. At the office.

Q. How do you know his name was Henry Armstrong?

A. I do not know his name was Henry Armstrong. I was introduced to him as "Mr. Armstrong, one of the directors."

Q. Who introduced you?

A. Mr. Rumble.

(Testimony of H. A. Hardinge.)

Q. At the office?           A. Yes, sir.

Q. And you never saw this director again? Did you ever write any opinions for the information of Mr. Armstrong?           A. No, sir.

Q. Did you ever write any opinions for the information of Mr. Frank Rogers?

A. I cannot say for whose benefit the opinions were written. They were written at the request of Mr. Rumble.

Q. In fact all the business you did was with Mr. Rumble and Mr. Rumble alone?

A. And Mrs. Allington.

Q. How many times did you meet Mrs. Allington?

A. She was out here for not less than three weeks, and not over five weeks, and I met her several times during that time.

Q. And you consulted her on the official business of the company?           A. Yes, sir.

Q. Were you present at a time when a letter was introduced in this case by Mr. Rumble in which Mr. Rumble said that Mrs. Allington had nothing whatever to do with the business of the company? Did you ever hear of that?           A. No; I do not think I ever did.

Mr. HART.—Produce the letter, please.

Mr. McKINLEY.—The letter is there. I do not want to take up the time to produce it. That will do in the argument. That is all.

THOMAS H. FRANCIS, recalled for the defendant.

Mr. HART.—Q. You are the witness who testified yesterday as having worked in the Old Glory mine?

A. Yes, sir.

Q. Will you state whether or not, while you were there engaged in taking gravel out of the mine, you found any wood or timber, and if so, to what extent, its character and condition?

A. Yes, we found what we call a carbonized wood—a tree, it seems to be, that had been washed in there, with its branches and limbs on.

Mr. HART.—Q. Was it imbedded in the gravel?

A. It was imbedded generally in the roof, up about 6 or 7 feet.

Q. From the bedrock?

A. From the bedrock. It seemed to be lying sometimes on an incline, and sometimes it seemed to be horizontal.

Q. And what was its nature, as to whether it was rotten, and so forth?

A. It was what we call carbonized.

Q. Petrified?

A. No, sir, not exactly petrified. It will come very near burning like coal. It is generally crusted with pyrites of iron. You generally find a little water around it—seepage.

Q. To what extent did you find wood of that kind in the gravel?

(Testimony of Thomas H. Francis.)

A. I found it a good deal more in other claims I worked in than in Old Glory.

Q. How frequently did you find those?

A. Sometimes we would find it pretty often, and other times we would go quite a long time before we would find it.

Q. But you found it frequently?

A. We found it frequently.

THOMAS K. WILLIAMS, recalled for the defendant.

Mr. HART.—Q. You testified in this case yesterday that you were one of the men who worked in the Old Glory mine?      A. Yes, sir.

Q. State to the Court and jury what timber or wood you found in the gravel, and to what extent, its condition, and how frequently.

A. I seen this carbonized wood in there, and I have seen timber; you could take it with your hand like that and pull the inside of it out, and you could use it for a hole; sometimes we would use it. In place of putting a hole in there, we would use that wood for a hole. This tree sometimes would go for quite a little distance, maybe for 8 or 10 feet, something like that. You could take it and pull it out. It would fall off in the center. It was wet.

Q. How frequently did you find this timber in the gravel?

(Testimony of Thomas K. Williams.)

A. You can find it in nearly all the gravel that is there; this carbonized wood.

Q. In what position did it lie?

A. In all shapes. If the bedrock goes off flat, it will lie flat, and so forth.

IRA A. PEASE, recalled for the defendant.

Mr. HART.—Q. You have already testified in this case that you were superintendent of the Old Glory mine, and you have already stated you spent some of the time underground. Did you discover any weed in the gravel deposits of the Old Glory mine, and if so, to what extent, and how frequently, and state its character?

A. My attention was called to it several times by the miners.

Q. Did you see it?           A. Yes, sir.

Q. How did it generally lay when you saw it in the gravel itself?

A. It would be pretty hard to tell how some of it lay. We found one tree that was across the drift, just about that slanting (indicating), just about 4 feet above the bottom.

Q. You saw that when it was reached?

A. Yes, sir, they cut through it.

Q. Was it imbedded in the solid gravel?

A. Yes, sir.

Mr. HART.—The defendant rests.

W. K. BULGER, recalled in rebuttal.

Mr. McKINLEY.—Q. You testified yesterday as to certain assays of black sand at the Selby Smelting Works deposited by defendant. Have you any knowledge whatsoever as to where that black sand came from?

A. No, sir.

Q. In submitting samples of sand or pulverized minerals for assay, how much is usually submitted?

A. About a pound or a little more.

Q. Mr. Bulger, I show you five assays of black sand, dated respectively, July 6, 1900; July 18, 1900; August 13, 1900; January 14, 1901, and January 22, 1901; and ask you to state whether those represent assays of black sand submitted to you by the defendant—to the Selby Smelting Works? A. Yes, sir.

Mr. HART.—If your Honor please, we object to the introduction of these five papers on the ground that the same are immaterial, irrelevant and incompetent, and on the further ground, they should have been offered in the Government's case in chief. It is not rebuttal. The last two documents do not purport to be and do not show on their face that they are certificates of assays of black sand.

The COURT.—On what ground is it claimed they are admissible?

Mr. McKINLEY.—I claim they are admissible for this purpose and upon this ground: The defendant has seen fit

(Testimony of W. K. Bulger.)

to introduce two assays of black sand amounting to \$700 or \$800 a ton. I want to introduce some assays that will run all the way from a dollar to a very much smaller amount than \$700 or \$800 a ton. In other words, he has not shown them all. I want to produce other assays of black sand.

The COURT.—Can you show that this was black sand taken from the Amo mine?

Mr. McKINLEY.—I can show it just as effectively as the other side has shown it; that is, they have not shown it at all.

The COURT.—And you have not shown it at all.

Mr. McKINLEY.—If their evidence was admissible, I think mine is.

The COURT.—The testimony in regard to the other, that the black sand would assay \$700 a ton, was without proof that it came from the Amo, and it has no relevancy. Of course, I cannot sit here and determine every piece of evidence; I assume it is going to be connected in some way.

Mr. McKINLEY.—If your Honor will not permit these to go in, I certainly will ask to have those two exhibits stricken out on the ground they are not connected with any property of the defendant at all.

Mr. HART.—Let us finish one thing at a time.



The COURT.—I will sustain the objection under your statement that you are not able to say that they came from the Amo mine.

Mr. McKINLEY.—On the very same ground, I move to strike out the two exhibits introduced by the defense.

The COURT.—You will have that opportunity.

Mr. McKINLEY.—That is the Government's case, with the exception of the motion I have made to strike out those two exhibits. They have not any relevancy whatever in this case. Mr. Bulger testified he did not know where they came from, and nobody stands sponsor for them at all.

Mr. HART.—My answer to that is that there have been two documents, or letters or circulars, offered in evidence here by the Government, and in those circulars are set forth the copies of certificates of assays. These assays were introduced in evidence by us for the purpose of showing they were actually made and are identical with those copied in the exhibit by the Government. That of itself connects them, and that in itself makes the explanation.

Mr. McKINLEY.—I insist, your Honor, that those should not be permitted to remain in.

The COURT.—Suppose those assays came from Placer County, suppose they came from any other mine, do you claim they would be relevant?

Mr. McKINLEY.—No, I certainly do not, and in support of the motion I make, I say there is no showing whatever on the part of the defense that those came from the Amo mine, and therefore they should not be admitted here. There is the same state of proof as to both of them.

Mr. HART.—My answer to that, if your Honor please, is plain and simple. The Government has offered two letters, where, written in ink, copies of certificates of assays appear, and we have introduced the certificates of assay that correspond with the very letter that the Government has introduced in evidence. If the exhibit offered by the Government showed other assays, we would have produced those. We have produced these two assays for the purpose of showing the Government the actual assays copied into the letter. Therefore they are material.

The COURT.—I will sustain the motion to strike them out. I do not recall any testimony that would admit them; I do not think they are material in any event. They might just as well be stricken out as remain, and they might just as well remain as be stricken out. The motion will be granted.

Mr. HART.—We take an exception.

The above and foregoing shows and states all the evidence that was offered, and all the evidence that was introduced, upon the trial of this case, and the objections and motions made in respect thereto, and the rulings

made thereon, and the exceptions taken to those rulings; and also proceedings, rulings and exceptions previous to said trial.

Thereupon and on the 20th day of May, 1904, the evidence in said case having been completed and the arguments of the respective counsel having been made to the jury, the Court, upon its own motion, gave to the jury the following instructions:

#### CHARGE TO THE JURY.

The COURT.—Gentlemen of the Jury: You are instructed that mere probabilities are not sufficient to warrant a conviction, nor is it sufficient that the greater weight or preponderance of the evidence supports the allegation of the indictment; nor is it sufficient that upon the doctrine of chances, it is more probable that the defendant is guilty than that he is innocent; but the proof must go further, and in order to warrant a conviction the evidence must be such as to show to your minds that the defendant is guilty beyond all reasonable doubt. The defendant must be proven to be guilty so clearly and conclusively that there is no reasonable doubt that he is guilty as charged.

I further instruct you that in all criminal cases the guilt of the defendant must be established to a moral certainty and beyond all reasonable doubt. The law presumes every man to be innocent until the contrary is proven, and this presumption continues during the whole trial and until the jury determine otherwise. In other words, gentlemen, every defendant when placed upon trial

is entitled to the benefit of the presumption of innocence; and until the Government has produced evidence sufficient to show beyond all reasonable doubt that he is guilty as charged, the defendant is not required to introduce any evidence to disprove the allegations of the indictment.

You are further instructed that under the mining laws of the United States a placer mining claim consists of twenty acres, and a quartz mining claim may consist of a parallelogram six hundred feet in width by fifteen hundred feet in length.

The defendant's failure to request to be a witness on the trial of this case and his omission to testify does not create any presumption against him; in other words, gentlemen, you are not to consider that fact in your deliberations. You will confine your deliberations simply to a consideration of the evidence which has been introduced in your hearing.

After a statement of these general rules of law which you are to bear in mind, I will now direct your attention more particularly to the nature of the charge against the defendant. The indictment is quite voluminous, and it will be my endeavor to so state the substance of the charge that you will have no difficulty in understanding what it is, and the particular facts on which you are to pass.

The indictment charges, that on the first day of January, 1901, at the city and county of San Francisco, in the State and Northern District of California, he had then and there devised a scheme and artifice to defraud

one Frank Terry of Milwaukee, Wisconsin, Dix W. Smith, and John Bull, Jr., of Elmira, New York, composing the firm of Smith & Bull, and divers other persons. It is charged that this scheme to defraud was to be carried on and effected with the parties named, and with other persons whose names are unknown, by means of the postoffice establishment of the United States, by inciting those persons to open a correspondence through the postoffice establishment with the said George W. Rumble, and it is charged that this use and misuse of the postoffice establishment of the United States was a part of said scheme and artifice to defraud.

The scheme which is charged against the defendant in the indictment is substantially this:

It is charged that the defendant devised and intended that he would write and send through the postoffice establishment of the United States certain letters to the said Frank T. Terry, Dix W. Smith, John Bull, Jr., and divers other persons whose names are unknown, representing himself to be the secretary and general manager of the Sunset Mining Company, a corporation organized and incorporated under the laws of the State of California, and having a capital stock of ten million dollars, divided into ten million shares of the par value of one dollar per share; that the Sunset Mining Company did a general mining and mine promoting business and owned twelve gold mines in the counties of Butte, Shasta and Siskiyou, California; that as money-makers these mines were rated among the best in the State of California, not excepting any mother lode prop-

erty; that some of these mines were the "Amo," the "Amo Hydraulic," and the "Old Glory." It is charged that he further represented, by letters to these parties, that in addition to these mines the Sunset Mining Company owned a gold dredge, styled "Modern Electric Dredge," which was being operated by the Sunset Mining Company in Butte County. It is charged that he further represented, by means of the postoffice establishment of the United States, to the parties named, that there had been found by the Sunset Mining Company in one portion of the alleged property known as the "Amo" mines, in addition to the free gold, thousands of tons of black, gold-bearing sand which assayed five hundred dollars to eight hundred dollars per ton.

It is further charged that the defendant Rumble devised that he should represent in his letters to these parties that all of the mining properties before mentioned were being actively and successfully worked by the said Sunset Mining Company, and were producing large quantities of gold and other precious metals; that by reason of the operations of these alleged mining properties by the Sunset Mining Company, the company each month received large profits; that the net proceeds from such operations were so large that the Sunset Mining Company was able to and did declare and pay out of the surplus of said net proceeds a monthly cash dividend of two per cent upon the par value of each share of the issued capital stock of the said Sunset Mining Company.

It is further charged that the defendant Rumble devised that he should falsely represent that if the said Frank T. Terry, the said Dix W. Smith, and John Bull, Jr., of the firm of Smith and Bull, and divers other persons, would purchase shares of the capital stock of the Sunset Mining Company, they, and each of them, would receive each and every month thereafter, out of the net proceeds derived from the working of the various alleged mining properties of the Sunset Mining Company, a dividend of two per cent upon the par value of each of the shares so purchased by them.

Further, that the defendant Rumble devised and intended that he should falsely and fraudulently represent to the above-named persons, and each of them, that the Sunset Mining Company had paid a monthly dividend of two per cent every month since the month of February, 1894, out of the net proceeds of mining operations conducted by it; that during the year 1901 the gross proceeds derived by the Sunset Mining Company from its operation of the mine known as the "Old Glory" amounted to \$62,784.50, while the expenses of such operations during the same year amounted to only \$14,400.45; that the dividends paid during the said year to stockholders of the Sunset Mining Company out of the net proceeds derived from the mining operations conducted by said company in the "Old Glory" mine during that year amounted to \$22,812.56; that by reason of the proceeds derived from the mining operations in the "Old Glory" mine during the year 1902, the Sunset Mining Company obtained a surplus over and above the

operating expenses and dividends of \$25,571.49, and that the proceeds from the sale of treasury stock, together with the aforesaid surplus from the "Old Glory" mine were used to acquire and equip other properties.

It is further charged that the defendant devised that he should falsely and fraudulently represent the value of the "Old Glory" mine to be \$500,000, and that the value of the other properties belonging to the **Sunset** Company was \$500,000, and that the resources of the Sunset Mining Company, over and above all liabilities, on the second day of February, 1903, were \$898,250.00.

It is charged that the defendant Rumble made each of the representations aforesaid, to the parties named, by means of the postoffice establishment of the United States of America for the purpose of inducing them, and each of them, to purchase shares of the capital stock of the Sunset Mining Company at prices ranging from \$1 to \$2 per share.

And it is further charged in the indictment that the representations to which I have called your attention were false and fraudulent; and that the defendant at all the times mentioned in the indictment intended to convert to his own use, any and all moneys which these persons might pay to the Sunset Mining Company in exchange for shares of the capital stock of said company and thereby defraud them.

It is also charged that at the time of opening the communication and the correspondence with these parties through the postoffice establishment of the United States, and at the time of devising the scheme and ar-



tifice to defraud as aforesaid, the defendant Rumble well knew that all of the representations contained in the said letters were false and fraudulent.

It is further charged, gentlemen, that in furtherance of the scheme and artifice to defraud, to be effected as alleged in the indictment, the defendant in pursuance of said scheme and artifice to defraud, did on the seventh day of October, 1903, at Oroville, in the State and Northern District of California, willfully, unlawfully, knowingly and feloniously place and cause to be placed and deposited in the said postoffice establishment of the United States as aforesaid, to be sent and delivered by said postoffice establishment of the United States, a certain letter enclosed in a sealed envelope and stamped with a postage stamp of the United States, and addressed to Smith and Bull, Realty Building, Elmira, New York. A copy of the letter is set forth in full in the indictment, and has been read in evidence before you.

I charge you, that in order to warrant a verdict of guilty, the evidence must satisfy you beyond all reasonable doubt, first, that the defendant did devise the scheme described in the indictment, and that such scheme was a fraudulent scheme; second, that it was a part of said scheme that the same was to be effected by the defendant by opening correspondence with the persons named and referred to in the indictment, by means of the postoffice establishment of the United States; third, that for the purpose of executing such scheme or artifice, or attempting so to do, the defendant placed in the postoffice of the United States a letter, a copy of

which is set forth in the third count of the indictment, to be delivered by the postoffice of the United States to the said Smith & Bull, the persons named in the indictment; and all of these facts must be proven beyond all reasonable doubt; and unless, in your judgment, they have been so proven, the defendant is entitled to a verdict of acquittal.

Now, gentlemen, you will observe, in short, the indictment charges, that the defendant made the alleged fraudulent representations for the purpose of inducing the persons named and referred to in the indictment, to purchase stock of the Sunset Mining Company, for a price in excess of its actual value, and that the defendant intended to convert the proceeds of the sale of the stock to his own use. And the representations may be grouped thus: First, an alleged false representation as to the value of the Sunset Mining properties; second, an alleged false representation as to the amount that was being taken from those mines as a result of their being operated; and in the third place, that the object and the purpose of the defendant was to induce the parties named and referred to in the indictment to purchase the stock, and he intending to convert the money received from them from the proceeds of the sale of such stock to his own use. To induce a person to part with the possession of his money by false representations of fact, is obtaining the possession of money fraudulently, and any scheme which by such means aims at inducing other persons to part with their money and enables others to get it, is a scheme to defraud, within the meaning of

the law under which this indictment is being prosecuted. And it is clearly such a scheme when it is also charged, as it is in this indictment, that the defendant intended to convert the money thus obtained to his own use.

In determining the question whether the alleged representations made by the defendant, if you find that they were so made, were false and fraudulent, and made with the intent and purpose charged in the indictment, you must weigh the evidence to which you have listened in the light of your own experience and with the aid of your own common sense. You will consider all of the facts and circumstances which you may believe to have been established by the evidence, and then give to them such weight and consideration as you think they are entitled to in determining the guilt or innocence of the defendant. In short, gentlemen, the functions of a jury in passing upon this case, or any other case, is simply to reach a reasonable conclusion from the facts which have been established in evidence before it. You are the exclusive judges of the facts in this case, that is, you are the exclusive judges of the credibility of the witnesses. You know whether you believe any witness who has testified in this case. If you believe a witness, as a matter of course, you will act on his testimony. If by reason of the nature or character of the testimony he has given, or if by reason of his manner on the stand, or if you consider it unreasonable when weighed in connection with all the other evidence in the case, you disbelieve it, you will, as a matter of course, throw it out and reject it. You are the exclusive judges of the credibility

of the witnesses, and as to what facts you believe are established by the evidence to which you have listened. In short, gentlemen, the entire responsibility of rendering a just and true verdict on the evidence devolves on you; and if, during the course of this charge, I should express an opinion as to any fact in the case, that is, that I may deem to be established, you will bear in mind, that if you do not coincide with that judgment, it is your duty to be governed by your own. You are the exclusive judges of the facts.

It is not incumbent upon the Government to prove that every one of the alleged representations was in fact false, but the evidence must satisfy you that some of the representations made were false, and that the defendant knew they were false at the time he made them; and that such false representations were of a character or nature calculated to induce the purchase of stock in the Sunset Gold Mining Company, and were made by him with the fraudulent purpose of inducing the persons named in the indictment to purchase the stock of the Sunset Mining Company, and with the intention on his part to convert to his own use the proceeds arising from the sale of such stock.

It is charged in the indictment that one of the representations made by the defendant through the medium of the United States mails to the parties therein named and referred to, was that the Sunset Mining Company, a corporation organized and incorporated under the laws of the State of California, owned twelve gold mines in the counties of Butte, Shasta and Siskiyou, in this

State. I charge you in regard to this representation, gentlemen of the jury, if you find from the evidence in this case to a moral certainty and beyond a reasonable doubt that the Sunset Mining Company did not own twelve gold mines in the State of California, or elsewhere, and that the defendant knew that fact at the time that he made that representation, if he did so make it, and that it was made for the purpose of inducing persons to invest in the shares of the capital stock of said corporation, you will give to the fact of such representation such weight as you think it entitled to, in connection with the other facts which you may deem established by the evidence.

It is further charged in the indictment that one of the representations made by the defendant through the medium of the United States mails, was that as money-makers these mines were rated among the best in the State of California, not excepting any mother lode property; that among these mines were the "Amo," the "Amo Hydraulic" and the "Old Glory"; and that the Sunset Mining Company owned a gold dredge styled "Modern Electric Dredge," which was being operated by the company in Butte County; and that there had been found by the Sunset Mining Company in a portion of the Sunset property known as the "Amo" mine, in addition to the free gold, thousands of tons of black, gold-bearing sand, which assayed \$500 to \$800 per ton.

It is charged in the indictment that, in truth and in fact, the Sunset Mining Company did not at any time own the "Amo" mine, or the "Amo Hydraulic" mine,

or a "Modern Electric Dredge"; and that the Sunset Mining Company never did find in the "Amo" mine or elsewhere thousands of tons, or any other number of tons, of black gold-bearing sand of the value of \$500 to \$800 per ton.

I charge you on this point, gentlemen, that if you find from the evidence to a moral certainty and beyond a reasonable doubt, that the Sunset Mining Company did not own the "Amo" mine, or the "Amo Hydraulic" mine, or a modern electric dredge, and that the defendant knew that fact at the time he made the representation, if he did make such representation, you will be justified in finding that such representation was willfully false. And if you further find that the defendant represented that the Sunset Mining Company found thousands of tons of black, gold-bearing sand which assayed from \$500 to \$800 per ton, whereas in truth and in fact, he did not find sand of the character and value which he represented, in the "Amo" mines or elsewhere, you will be justified in finding that this representation was false and fraudulent.

It is further alleged, gentlemen, that the defendant represented to the parties named in the indictment and to others that the properties of the Sunset Mining Company were being actively and successfully worked at a profit by the Sunset Mining Company. It is alleged further that the defendant represented that the gross proceeds derived by the company from its operation in the mine known as the "Old Glory" amounted during the year 1902 to the sum of \$62,784.50, that the ex-

penses of such operations during that year amounted to only \$14,400.45, and that the dividends paid during that year to the stockholders of the Sunset Mining Company out of the net proceeds derived from the mining operations conducted by said company in the "Old Glory" mine during that year amounted to \$22,812.56; that by reason of the proceeds derived from the mining operations in the "Old Glory" mine during the year 1902, the Sunset Mining Company obtained a surplus, over and above the operating expenses and dividends, of \$25,571.49; and that the proceeds from the sales of treasury stock together with the surplus referred to from the "Old Glory" mine, were used to acquire and equip other properties; and that the value of the "Old Glory" mine was \$500,000, and that the value of the other properties, which he represented as belonging to the Sunset Mining Company, was \$500,000, and that the resources of the Sunset Mining Company, over and above all liabilities, on February 2, 1903, were \$898,250.00.

In determining the truth or falsity of these representations, gentlemen, if you find from the evidence to a moral certainty and beyond a reasonable doubt, that the defendant made them, it is competent for you to consider and give to the fact such weight as you may deem it entitled to in connection with all the evidence in the case, whether or not the Sunset Mining Company had any funds deposited at any place in the name of the Company. You have a right further to consider whether or not the bullion deposited by the defendant

or by the Sunset Mining Company, if you find that any bullion was deposited by the Sunset Mining Company in the various mints and assay offices of the United States during the year 1902, or at any other period, amounted to the sum of \$62,784.50; and if you find that it did not, you will give to such finding of fact such weight as you deem it entitled to in determining whether the representations alleged to have been made by the defendant were fraudulently made.

In considering the question as to whether or not the mine was conducted or operated as a profit, you have a right to consider the total amount of the operating expenses of the "Old Glory" mine, and the total output of said mine as you may find the same to have been from evidence. If you should find from the evidence to a moral certainty and beyond all reasonable doubt that the total output of the mine was not sufficient to justify the payment of dividends upon the issued stock of the corporation at the rate of two per cent. per month, and that such dividends, if paid at all, were paid out of the proceeds of the treasury stock of the Sunset Mining Company sold by the defendant, I charge you, that you will be justified in finding that the alleged representations of the defendant concerning the productivity of the mines referred to in the indictment, and the payment of dividends from the gold taken therefrom, if such representations were made by defendant, were false and fraudulent; and you will give to that fact, if you so find, such weight as you may deem it entitled to



in passing on the general question of the guilt or innocence of the defendant.

It is further charged, gentlemen, that for the purpose of inducing the parties named in the indictment and divers other persons to invest in the shares of the stock of the Sunset Mining Company, the defendant represented that the Sunset Mining Company has been paying dividends upon its capital stock since the year 1894.

I charge you, gentlemen, that if you find from the evidence to a moral certainty and beyond a reasonable doubt, that the defendant represented that monthly dividends had been paid upon the capital stock of the Sunset Mining Company since the year 1894, whereas the company did not in fact come into existence until March 26, 1900, then in that event you would be justified in finding that this representation was not true; and you will give to that fact such weight as you may think it entitled to in determining whether the defendant devised the fraudulent scheme charged in the indictment.

It is further charged, gentlemen, that the Board of Directors of the Sunset Mining Company has never at any time declared any dividend upon the capital stock of said corporation, and if you find from the evidence to a moral certainty and beyond all reasonable doubt, that the Board of Directors of the Sunset Mining Company never met and declared any dividends upon the capital stock of said corporation, then you will give to that fact such weight as you deem it entitled to in con-

sidering the question of the guilt or innocence of the defendant.

It is further charged, gentlemen, that the defendant represented falsely and fraudulently that the property of the Sunset Mining Company known as the "Old Glory" mine was of the value of \$500,000, and that the value of the other properties alleged to belong to said Sunset Mining Company was \$500,000. Upon this point I charge you, gentlemen, that you will consider whether or not these properties belonged to the Sunset Mining Company, and if they did not belong to the Sunset Mining Company at the time of making these representations, and such fact was known to the defendant, then in that event the representations, if they were made by the defendant, were false and fraudulent, no matter what the value of said properties or any of them might have been. And in determining the question of the value of the "Old Glory" mine and of the other properties alleged to belong to the Sunset Mining Company, if you find from the evidence that the Sunset Mining Company owned these properties, you will consider the total amount of the output of said properties as you may find from the evidence. And if you find that they were not of the value of \$500,000, or of any value approximating that sum, and that the defendant did not honestly believe they were of the value of \$500,000, or of any value at all approximating that sum, then in that event you will be justified in finding that that representation, if it was made by the defendant, was a false and fraudulent one.

You will observe, gentlemen, here that in addition to the question of value, there is the further question of whether the representation was honestly believed by the defendant. Supposing that he had represented that the "Old Glory" mine was of the value of \$500,000, and that you may believe from the evidence that he was wholly mistaken as to that fact, that it was of no such value; but that you further find from the evidence that he honestly believed it to be of that value, then, of course, he could not be charged with fraud in misrepresenting that value; in other words, the mere mistaken belief of the defendant cannot be charged to him as a fraud. So here you are instructed that in order to make such representation a fraudulent one, you must not only find that it was untrue in point of fact, but that the defendant did not believe it to be true.

It is further charged, gentlemen, that during all the times mentioned in the indictment any moneys that were received in the name of the Sunset Mining Company, or for or on its behalf, were kept by the defendant, George W. Rumble, and deposited to his own account and not to the account of the Sunset Mining Company. I charge you, gentlemen, that if you find from the evidence to a moral certainty, and beyond a reasonable doubt that moneys which were received by the defendant from the sale of the stock belonging to the Sunset Mining Company were deposited by the defendant in his own name and not in the name of the Company, and that this was done without any authorization by the Company, you will give to that fact such weight as you may think it

entitled to in determining whether the defendant intended to convert to his own use and benefit such moneys so received on behalf of said Company by him.

I charge you further, gentlemen of the jury, that if you find from the evidence in the case to a moral certainty and beyond a reasonable doubt that the defendant prepared or caused to be prepared and sent to any person for the purpose of inducing him to invest in shares of the stock of the Sunset Mining Company, a false or fraudulent letter of recommendation of the Sunset Mining Company for the purpose of inducing such person to invest in shares of the capital stock of the Sunset Mining Company, you will be justified in taking that circumstance into consideration in determining the question as to whether or not the scheme devised by the defendant, if you find that he did devise the scheme charged in the indictment, was a fraudulent one.

In other words you will give to all of these facts and circumstances, as you may deem them to be established by the evidence, precisely the weight and consideration that you think they are entitled to. You will draw from them reasonable, fair, and honest conclusions as to the ultimate fact whether the defendant is guilty or not guilty of the charge made against him in the indictment.

The defendant by his counsel then and there duly excepted to said charge, as follows:

First.—To so much of the Court's charge as states how representations may be proved in this case, which portion commences with the words, "Representations may be proved thus." This exception is made on the

ground that the indictment only charges the mailing of one letter, which is dated October 7th, 1903, and is United States Exhibit No. 1, on the ground that there is no evidence of any representation through the mail by a letter mailed as charged in the indictment except that one letter; and that does not prove any representation on any of the charges made in the indictment.

Second.—The defendant excepts to the charge to the jury in relation to what the jury may consider and conclude in respect to representations as to the ownership of mines by the Sunset Mining Company, on the ground that that portion of the instruction assumes that representations were made by mail in respect to that subject, while the third count of the indictment only charges the mailing of one letter, and that letter does not contain any representation on that subject.

Third.—For the same reason, the defendant excepts to the Court's charge as to what the jury might find with respect to representations as to monthly dividends, two per cent per month, there being no representation of that kind contained in that letter.

Fourth.—The defendant excepts to that portion of the charge which relates to the charges in the indictment in respect to the amount of \$62,784.50, stated to **have been the gross proceeds** of the "Old Glory" mine for the year 1902, and in respect to the expenses, and in respect to the net dividends, for the same reason, that there is no representation contained in any letter alleged to have been made in respect to those matters; no letter

alleged to have been mailed, except that letter, United States Exhibit No. 1.

Fifth.—The defendant excepts severally for the same reason to what the Honorable Court has charged the jury that they may find in respect to other charges made in the third count of the indictment, on the ground that each of the instructions in that regard assumes that representation were made by mail on these matters, while the only charge is relating to one letter, said United States Exhibit No. 1, which contains no representation at all upon the charge that is contained in the third count of the indictment.

The defendant, also at the time said charge was being given to the jury, excepted to that portion thereof which referred to the output of the property for 1902, on the ground that the manner in which the question of proof bearing on that point and the rule to be applied in applying the proof on that part of the instruction, eliminated the burden of proof which is on the part of the Government; in other words, it throws the burden of proof as to the output on the defendant instead of requiring that the Government must prove that the output was not that amount.

The defendant, when said charge was being given to the jury, also excepted to that part of the instruction so far as it related to representations as to title, because it is indefinite as to time; that the instruction does not fix the time when the title should have been in the company.

The COURT.—Gentlemen, in order to prevent any misconception to the charge given, I will state that burden of proof, of course, is on the Government. The Government is required to establish all of the essential matters to which I have called your attention, beyond all reasonable doubt; and the Court did not mean to say or intimate to the jury that any fact had been proven in this case, but simply leave that question to the jury to determine for themselves, and draw such deductions and inferences from the facts which they think were proven, which they think ought to be drawn as reasonable men. In other words, the responsibility of arriving at a true verdict rests on the jury, the jury determining that for themselves.

At the time said charge was being given to the jury, defendant's counsel reserved a separate exception to each instruction given by the Court to the jury.

The foregoing charge of the Court embraces the entire charge, and all the instructions that were given by the Court to the jury.

Previous to the giving of said charge to the jury the defendant prayed the Court to give to the jury the following instructions:

#### I.

This trial is being had under the third count of the indictment presented against the defendant.

In that count the only letter charged to have been placed and deposited in the postoffice establishment of the United States of America by the defendant in fur-

therance of any alleged artifice or scheme to defraud is the letter dated Oct. 7, 1903, a copy of which is contained in said third count.

## II.

Said letter dated Oct. 7, 1903, a copy of which, if contained in said third count of said indictment, is the only letter which the jury can consider in determining whether the defendant, George W. Rumble, made the representations charged in said count, or either or any of said representations, by the use of the postoffice establishment of the United States of America, and unless the jury finds from said letter that said defendant made the representations, or some part thereof, charged in said count to have been made by him by the use of the postoffice establishment of the United States of America, the verdict of the jury should be for the defendant.

## III.

The jury are instructed that said letter, a copy of which is contained in said third count of said indictment does not contain any or either of the representations charged in said count to have been made by said defendant, George W. Rumble, by the use of the postoffice establishment of the United States of America, and therefore the verdict of the jury should be for the defendant.

## IV.

It is not charged in said third count of said indictment that the defendant, George W. Rumble, placed or caused to be placed or deposited in the postoffice es-



establishment of the United States of America any letter other than the aforesaid letter dated Oct. 7, 1903, and therefore the jury are not to consider any other letter which has been introduced in evidence, in determining whether the defendant made any or either of the representations charged in said third count of said indictment to have been made by him by use of the post-office establishment of the United States of America.

## V.

There is no charge in said third count of said indictment that said defendant, George W. Rumble, intended to send through the postoffice establishment of the United States of America any circular, or that he did place, or caused to be placed or deposited in the post-office establishment of the United States of America, any circular; and the jury are instructed that they cannot consider any circular which has been introduced in evidence in determining whether the defendant made any or either of the representations charged in said count of said indictment to have been made by him by the use of the postoffice establishment of the United States of America.

## VI.

The jury are further instructed that that portion of said third count of said indictment in which it is charged that the defendant, George W. Rumble, further devised that he should falsely and fraudulently represent that if Frank T. Terry, and others, would purchase shares of the capital stock of the Sunset Mining Company, they and each of them would receive every month

thereafter out of the net proceeds derived from the working of the various alleged mining properties of the Sunset Mining Company a dividend of two per cent upon the par value of each of said shares so purchased by them or any of them, does not charge that it was a part of said alleged scheme that said representations, or any of them, would be made by the use of the postoffice establishment of the United States of America, and therefore, that part of said count of said indictment does charge any offense, and cannot be considered by the jury.

#### VII.

The jury are further instructed that in that portion of said third count of said indictment in which it is charged that the defendant, George W. Rumble, further devised and intended to falsely and fraudulently represent to said persons, and each of them, that the said Sunset Mining Company had paid a monthly dividend of two per cent every month since the month of February, in the year of our Lord, one thousand eight hundred and ninety-four, out of the net proceeds of mining operations conducted by it, does not charge that it was a part of said alleged scheme that said defendant would use the postoffice establishment of the United States of America to make said alleged representations, or any part thereof, and therefore, that portion of said count of said indictment does not charge any offense and cannot be considered by the jury.

## VIII.

The jury are further instructed that in that part of said third count of said indictment in which it is charged that the defendant further devised that he should falsely and fraudulently represent that during the year of our Lord, one thousand nine hundred and two, the gross proceeds derived by the said Sunset Mining Company from its operations of the mine known as the "Old Glory" amounted to sixty-two thousand seven hundred and eighty-four dollars and fifty cents, while the expenses of such operations during the same year amounted to only fourteen thousand four hundred dollars and forty-five cents; that the dividends paid during the said year to the stockholders of the Sunset Mining Company out of the net proceeds derived from the mining operations conducted by the said company in the "Old Glory" mine during the said year amounted to twenty-two thousand eight hundred and twelve dollars and fifty-six cents; that by reason of the proceeds derived from the mining operations in the said "Old Glory" mine during the year of our Lord, one thousand nine hundred and two, the said Sunset Mining Company obtained a surplus over and above the operating expenses and dividends of twenty-five thousand five hundred and seventy-two dollars and forty-nine cents, and that the proceeds from sales of treasury stock, together with the aforesaid surplus from the "Old Glory" mine, were used to acquire and equip other properties; there is no charge that it was part of the alleged scheme de-

vised by the defendant that he would use the postoffice establishment of the United States of America, to make any of said alleged representations, and therefore that portion of said count of said indictment does not charge any offense and cannot be considered by the jury.

IX.

The jury are further instructed that in that portion of said third count of said indictment in which it is charged that the said defendant George W. Rumble, further devised that he should falsely and fraudulently represent the value of the "Old Glory" mine to be five hundred thousand dollars, and that the value of other properties belonging to said Sunset Mining Company was five hundred thousand dollars, and that the resources of said Sunset Mining Company over and above all liabilities, on the second day of February, in the year of our Lord one thousand nine hundred and three, were eight hundred and ninety-eight thousand two hundred and fifty dollars, does not charge that it was a part of said alleged scheme that the defendant would use the postoffice establishment of the United States of America to make said representations, or any of them, and, therefore, that portion of said count of said indictment does not charge any offense, and cannot be considered by the jury.

X.

That portion of said count of said indictment which charges "That in truth and in fact, during all of the times herein mentioned, any moneys that were received in the name of the Sunset Mining Company, or for or on

its behalf, were kept by the said George W. Rumble and deposited to his own account and not to the account of the Sunset Mining Company," does not charge any offense which can be considered by the jury in this case.

#### XI.

That portion of said count of said indictment which charges "that the said George W. Rumble, at all times mentioned herein, intended to convert to his own use any and all moneys which the said Frank T. Terry and the said Dix W. Smith and John Bull, Junior, composing the firm of Smith and Bull, and the divers other persons whose names and addresses are to the Grand Jury aforesaid unknown, might pay to the Sunset Mining Company in exchange for shares of the capital stock of the said company, and thereby to defraud the said Frank T. Terry and the said Dix W. Smith and John Bull, Junior, composing the firm of Smith and Bull, and the divers other persons whose names are to the Grand Jurors aforesaid unknown," does not charge any offense, and, therefore, cannot be considered by the jury.

#### XIV.

The jury are again reminded that in determining whether the defendant made any or either of the representations charged in said third count of said indictment they can only consider the said letter dated Oct. 7, 1903, a copy of which is contained in said count.

#### XXII.

I further instruct you that the practice of exaggerating

the value of an article offered for sale is not criminal, if restrained within reasonable bounds.

At the time the Court gave the charge to the jury as hereinabove stated the Court refused to give to the jury the foregoing instructions which the defendant prayed the Court to give to the jury as above stated and refused to give to the jury any or either of said instructions, and the defendant, by his counsel, then and there duly excepted to the Court's refusal to give to the jury each of the said instructions requested by the defendant to be given as above stated, and excepted to the Court's said refusal as to each of said instructions so requested by the defendant.

Whereupon, on the 20th day of May, 1904, the jury retired to deliberate on a verdict, and on the same day the jury came into open court with a verdict as follows:

"We, the jury, find George W. Rumble, the prisoner at the bar, guilty as charged."

Thereafter, and on the 28th day of May, 1904, by leave of Court the defendant filed his amended motion for a new trial, of which motion the following is a copy:

*In the District Court of the United States, in and for the  
Northern District of California.*

THE UNITED STATES,

vs.

GEORGE W. RUMBLE,

Plaintiff,

Defendant.

No. 4154.

**Amended Motion for New Trial.**

Now comes the defendant and moves the Court that the verdict of the jury in the above-entitled cause be set aside and that a new trial in said cause be granted the defendant for the following reasons and upon the following grounds:

I. Said verdict is contrary to the charge of the Court to the jury, and particularly contrary to that portion of the charge which directs the jury that any representation by the defendant must have been of character or nature calculated to induce the purchase of stock in the *Sunset Mining Company*, and the letter which is charged in the third count of the indictment to have been mailed by the defendant, and which is dated October 7th, 1903, was not calculated to induce the purchase of any stock, and in no wise referred to sale or purchase of any of said stock.

II. The evidence in this case does not prove that any offense such as that charged in the third count of the indictment in this case was committed by the defendant, and fails particularly as to the letter dated October 7th, 1903, a copy of which is contained in said count, for the

reason, said letter does not contain any or either of the representations charged in said count to have been made by the defendant.

III. The Court erred in giving each of those portions of the Court's charge to the jury which relate to supposed representations by the defendant for the reason the indictment charges that the defendant devised and intended that he should write and send through the postoffice establishment of the United States of America, certain letters to Frank T. Terry and others making certain representations alleged in said count of the indictment, and in said portions of said charge the Court gave the jury to understand that they might find that representations were made by letter or letters written and mailed by the defendant as charged in said count, although the only letter charged in said count to have been mailed by the defendant, in execution of the alleged scheme, is the letter dated October 7th, 1903, a copy of which is contained in said count, and said letter does not contain any or either of the representations charged in said count, to have been made by the defendant.

IV. The Court erred in overruling the several objections, and each objection, made by the defendant to evidence offered by the Government and in receiving such evidence over the objection of the defendant.

V. The Court erred in sustaining the objections made by the Government to the evidence offered in behalf of the defendant and as to each of such objections, and erred in excluding the evidence thus offered.



VI. The Court erred in admitting in evidence over the objections of the defendant United States Exhibit No. 1, being the letter dated October 7th, 1903, and which is copied into the third count of the indictment.

VII. The Court erred in admitting in evidence, each of the exhibits which have been numbered as United States Exhibits in this case.

VIII. The evidence in this case fails to show that the defendant committed the offense charged in the third count of the indictment.

IX. The verdict of the jury was not warranted or authorized by the evidence in the case.

X. The verdict of the jury was not warranted or authorized by the law applicable to this case.

XI. The verdict is clearly the result of passion and prejudice on the part of the jury trying this case.

XII. The Court erred in refusing to give to the jury the instructions requested by the defendant and which the court refused to give, and the Court erred in refusing to give each of said instructions.

XIII. The Court erred in giving to the jury the several instructions contained in the Court's charge.

W. H. H. HART,

AYLETT R. COTTON,

Attorneys for Defendant, George W. Rumble.

On the day last aforesaid, after argument upon said motion, the Court made an order denying said motion for a new trial, to which order denying said motion, the defendant by his counsel, then and there duly excepted.

Thereupon, on said 28th day of May, 1904, the defendant filed his motion that the judgment on the aforesaid verdict be arrested, of which motion the following is a copy:

*In the District Court of the United States, in and for the Northern District of California.*

THE UNITED STATES,

Plaintiff,

vs.

GEORGE W. RUMBLE,

Defendant.

No. 4154.

**Motion in Arrest of Judgment.**

Now comes the defendant, George W. Rumble, and moves the Court that the judgment in said cause be arrested for the following reasons and upon the following grounds:

I. The third count of the indictment on which the trial was had in this case does not charge an offense, and is insufficient in law, for the reason, it is therein charged that the defendant devised and intended that he should write and send through the postoffice establishment of the United States of America, certain letters to Frank T. Terry and others making certain representations alleged in said count of the indictment, but there is no charge in said count that the said defendant did send through the postoffice establishment of the United States of America, or place or cause to be placed or deposited in the postoffice establishment

of the United States any letter containing any of the representations charged in said indictment, to have been intended by him to be made, and that the only letter charged in said indictment to have been placed and caused to have been placed in the postoffice establishment of the United States is the letter, a copy of which is set out in said count, and said letter does not contain any of the representations which said count charges the defendant intended to make.

II. Said count of the indictment in this case does not contain allegations, which if true, would show that the defendant had committed any offense.

Wherefore said defendant prays the order and judgment of this Honorable Court arresting judgment upon the verdict which has been rendered in this case.

WM. H. H. HART,

AYLETT R. COTTON,

Attorneys for Defendant, George W. Rumble.

Which motion in arrest of judgment is endorsed:  
Filed June 1st, 1904. Geo. E. Morse, Clerk. By J. S. Manley, Deputy Clerk.

The Court having heard said motion on said first day of June, 1904, made an order on said day denying said motion, to which order denying said motion in arrest of judgment, the defendant by his counsel then and there duly excepted.

Whereupon, upon the day last aforesaid, said cause came on for judgment, and the Court then pronounced and entered judgment on the verdict as follows:

At a stated term of the District Court of the United States for the Northern District of California, held at the courtroom in the city and county of San Francisco, on Wednesday, the 1st day of June, A. D. 1904. Present: The Honorable JOHN J. DE HAVEN, Judge.

THE UNITED STATES OF AMERICA.

vs.

GEORGE W. RUMBLE.

No. 4154.

Convicted of devising a scheme to defraud, etc., in violation of section 5480, R. S. U. S., as amended by Act of March 2, 1889.

**Judgment on Verdict of Guilty on Third Count.**

Benjamin L. McKinley, Assistant United States Attorney, the defendant, George W. Rumble, and his counsel A. R. Cotton and W. H. H. Hart, came into Court. The defendant was duly informed by the Court of the nature of the indictment filed on the 31st day of October, 1903, charging him with devising a scheme and artifice to defraud, etc., in violation of section 5480, R. S. U. S. as amended by Act of March 2, 1889; of his arraignment and plea of not guilty; of his trial and the verdict of the jury on the 20th day of May, 1904, to wit: "We, the jury, find George W. Rumble, the prisoner at the bar, guilty as charged."

The defendant was then asked if he had any legal cause to show why judgment should not be pronounced

against him, and no sufficient cause being shown, or appearing to the Court, thereupon the Court rendered its judgment:

That whereas, the said George W. Rumble, having been duly convicted in this court of devising a scheme and artifice to defraud, etc.:

It is therefore ordered, adjudged and decreed, that the said George W. Rumble be, and he is hereby, sentenced to pay a fine of five hundred (500) dollars, and to be imprisoned for the term of eighteen (18) months. And it is further ordered that said sentence of imprisonment be executed upon the said George W. Rumble by imprisonment in the State Prison of the State of California, at San Quentin, Marin County, California.

JOHN J. DE HAVEN,

United States District Judge Northern District of California.

On said first day of June, 1904, at the time said judgment was pronounced, the defendant by his counsel excepted to said judgment and to each and every division and portion thereof.

Thereupon, on said first day of June, 1904, the Court made an order granting the defendant thirty days from that date within which to prepare and serve the defendant's proposed bill of exceptions in this case upon the United States Attorney.

Thereafter, and on the 30th day of June, 1904, the Court made an order extending the time of the defendant to prepare and serve his proposed bill of exceptions

in this case upon the United States Attorney until and including the 15th day of July, 1904.

The said defendant, by his counsel, proposes the foregoing bill of exceptions in this case in accordance with the rules of the aforesaid Court; and prays that the same be allowed, certified and signed and made a part of the record in this case.

GEORGE W. RUMBLE,

Defendant.

By W. H. H. HART,

AYLETT R. COTTON,

Said Defendant's Attorneys

The foregoing bill of exceptions is hereby stipulated to be correct and may be allowed.

AYLETT R. COTTON and

W. H. H. HART,

Attorneys for Defendant.

BENJ. L. MCKINLEY,

Asst. United States Attorney.

And now, on the 29th day of November, 1904, I, John J. De Haven, the United States District Judge who presided at said trial of the above-entitled case, wherein the United States is plaintiff, and George W. Rumble, is defendant, do hereby certify, that the above and foregoing bill of exceptions was served upon United States Attorney in accordance with the rules of the aforesaid District Court in and for the Northern District of California, and within the time fixed by the order of said

court and of the Judge thereof, and said bill of exceptions having been settled by me, and the same having been correctly engrossed, I hereby certify that said bill of exceptions is a correct and true bill of exceptions in said case and the same is by me allowed and signed, and ordered to be filed and made a part of the record in said case.

JOHN J. DE HAVEN,  
Judge.

[Endorsed]: Service of the within by copy admitted  
July 15th, 1904.

MARSHALL B. WOODWORTH,  
United States Attorney.

Filed Nov. 29, 1904, at 2 o'clock and 20 minutes P. M.  
George E. Morse, Clerk. By J. S. Manley, Deputy Clerk.

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**Bond on Writ of Error.**

Know all men by these presents, that we, George W. Rumble, as principal, and the Aetna Indemnity Company, a corporation, as surety, are held and firmly bound unto the United States of America, in the full and just sum of one hundred dollars, to be paid to the said United States of America, to which payment, well and truly to be made, we bind ourselves, jointly and severally, by these presents. Sealed with our seals and dated this first day of December, in the year of our Lord one thousand nine hundred and four.

Whereas, lately at a session of the District Court of the United States, for the Northern District of Cali-

fornia, in a criminal action depending in said court, and entitled United States of America vs. George W. Rumble, and numbered 4154, a final judgment was rendered against the said Rumble, and the said Rumble having obtained a writ of error to reverse the said judgment and a citation directed to the United States of America citing and admonishing it to be and appear at a United States Circuit Court of Appeals for the Ninth Circuit, to be holden at San Francisco, in the State of California, on the 30th day of December, 1904.

Now, the condition of the above obligation is such, that if the said George W. Rumble shall prosecute his writ of error to effect, and answer all damages and costs if he fail to make his plea good, that the above obligation to be void; else to remain in full force and virtue.

GEORGE W. RUMBLE. [Seal]

THE AETNA INDEMNITY COMPANY OF  
HARTFORD, CONNECTICUT.

By PAUL M. NIPPERT, [Seal]

Attorney in Fact.

[Seal of Aetna Indemnity Co.]

Attest: A. M. HOWELL,  
Assistant Secretary.

Acknowledged before me the day and year first above written.

[Seal of Court]

F. D. MONCKTON,  
Clerk U. S. Circuit Court of Appeals, for the Ninth Circuit.



United States of America,  
Northern District of California. } ss.

Paul M. Nippert, General Agent and Attorney in fact of the Aetna Indemnity Co., being duly sworn, deposes and says, that The Aetna Indemnity Co. is worth the sum of twenty thousand and 00/100 dollars, exclusive of property exempt from execution, and over and above all debts and liabilities.

PAUL M. NIPPERT.

Subscribed and sworn to before me, this 1st day of Dec., A. D. 1904.

[Seal]

F. D. MONCKTON,

Clerk U. S. Circuit Court of Appeals, for the Ninth Circuit.

[Endorsed]: Form of bond and sufficiency of sureties approved. John J. De Haven, Judge. Filed Dec. 1, 1904. George E. Morse, Clerk. By John Fouga, Deputy Clk.

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**Writ of Error (Copy).**

UNITED STATES OF AMERICA—ss.

The President of the United States, to the Honorable, the Judge of the District Court of the United States for the Northern District of California, and to said District Court, Greeting:

Because, in the record and proceedings, as also in the rendition of the judgment of a plea which is in the said

District Court, before you, or some of you, between George W. Rumble, plaintiff in error, he having been defendant in said District Court, and the United States of America, defendant in error, and having been the plaintiff in said District Court, a manifest error hath happened, to the great damage of the said George W. Rumble, plaintiff in error, as by his complaint appears.

We being willing that error, if any hath been, should be duly corrected, and full and speedy justice done to the parties aforesaid in this behalf, do command you, if judgment be therein given, that then under your seal, distinctly and openly, you send the record and proceedings aforesaid, with all things concerning the same, to the United States Circuit Court of Appeals for the Ninth Circuit, together with this writ, so that you have the same at the city of San Francisco, in the State of California, on the thirtieth day of December, A. D. 1904, in the said Circuit Court of Appeals, that the record and proceedings aforesaid being inspected, the said Circuit Court of Appeals may cause further to be done therein to correct that error, what of right, and according to the laws and customs of the United States, should be done.

Witness, the Honorable MELVILLE W. FULLER, Chief Justice of the United States, the thirtieth day of November, in the year of our Lord one thousand nine hundred and four.

[Seal]

F. D. MONCKTON,

Clerk of the United States Circuit Court of Appeals for the Ninth Circuit.

Allowed by

JOHN J. DE HAVEN,

United States District Judge.

[Endorsed]: Lodged in clerk's office U. S. District Court, Northern District of California, for defendant in error this 30th day of November, 1904. Geo. E. Morse, Clerk U. S. District Court, Northern District of California. By J. S. Manley, Deputy Clerk.

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**Clerk's Certificate to Transcript.**

United States of America,            }  
Northern District of California.    } ss.

I, James P. Brown, Clerk of the District Court of the United States for the Northern District of California, do hereby certify and return to the Honorable, the United States Circuit Court of Appeals for the Ninth Circuit, that the foregoing volume, consisting of 668 pages, numbered from 1 to 668, inclusive, is a true and complete transcript of the records, proceedings, pleadings, orders, judgment and other proceedings in said case, and of the whole thereof, as appears from the original records and files of said Court, made up pursuant to praecipe filed by plaintiff in error. And I further certify and return that I have annexed to said transcript, and include within said paging the original citation, writ of error, and proof of service thereof. And I further certify that the cost of said record, amount-

ing to three hundred and fifty-eight dollars and seventy cents (\$358.70), has been paid by plaintiff in error.

In witness whereof, I have hereunto set my hand and affixed the seal of said Court at San Francisco, in the Northern District of California, this 27th day of January, in the year of our Lord one thousand nine hundred and five, and of the independence of the United States the one hundred and twenty-ninth.

[Seal]

JAS. P. BROWN,  
Clerk.

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[Endorsed]: No. 1144. United States Circuit Court of Appeals for the Ninth Circuit. George W. Rumble, Plaintiff in Error, vs. The United States of America, Defendant in Error. Transcript of Record. Upon Writ of Error to the United States District Court for the Northern District of California.

Filed January 27, 1905.

F. D. MONCKTON,  
Clerk.